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ALASKA DEPARTMENT OF LABOR
JAY S. HAMMOND, GOVERNOR

ALASKA ECONOMIC TRENDS

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ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Department of Labor

John E. Post, Director
Administrative Services

Chuck Caldwell, Chief
Research and Analysis

Sally Saddler, Editor

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

November 1982
Volume 2
Issue 11

ALASKA ECONOMIC TRENDS is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99811. Controlled circulation approval pending at Juneau, Alaska 99811.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99811.

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UNEMPLOYMENT INSURANCE AMENDMENTS

By Scott Hannigan

Several major amendments to state and federal unemployment insurance laws became effective in September. These amendments include revisions to the extended benefits (EB) "trigger" rate (which determines when additional benefit payments are paid), the enactment of a new federal supplemental compensation (FSC) program, and the enactment of a new supplemental state benefits (SSB) program.

ALASKA TRIGGERS OFF EB

Extended benefits are payable to claimants who have exhausted their state unemployment insurance (UI) during periods of high unemployment as determined by a state's insured unemployment rate (IUR). (See page 3). Previous state law provided for the payment of up to 13 additional weeks of benefits when the state's IUR equaled or exceeded 5% *or* equaled or exceeded 120% of the prior two year average *and* equaled or exceeded 4%. The rates under the new law have been raised to 6% and 5%, respectively. When these rates are equaled or exceeded, extended benefits are available to claimants during a period of at least 13 weeks or longer provided the rates remain equal to or above the established levels. Conversely, when the insured unemployment rate drops below those levels, extended benefits cannot be paid in the state for a minimum of 13 weeks or longer if the rate remains low.

This change in the EB trigger rate has caused Alaska to "trigger off" extended benefits for the first time since 1975. When the EB amendment became effective on September 26, 1982, Alaska's IUR was 5.19%; less than the 6% required. For a period of 13 weeks beginning October 24, 1982,1/ EB will be unavailable to Alaska's UI claimants. Since the historical IUR trend in Alaska has always shown an advancing rate in late

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1/ Although the trigger "off" occurred on 9/26/82, a four week period of payments is allowed by law to phase out EB. This makes effective date the week ending 10/24/82.

October or early November, there is little doubt that EB will "trigger on" again after this 13 week period (probably sooner, but the law requires a minimum 13 week "off" period).

EB ELIGIBILITY CHANGES AND STATE SUPPLEMENTAL BENEFITS

A major eligibility change was also added to the EB amendments. To qualify for extended benefits an individual must have earned total base period wages that equal or exceed 40 times the weekly benefit amount. Because this requirement could potentially deny EB payments to approximately 3.4% of Alaskan low income claimants otherwise eligible, the Alaska legislature enacted the state supplemental benefit program. The SSB program pays benefits under the same conditions, requirements, amounts and weeks as the extended benefit program. When EB is "triggered off", SSB will also be unavailable.

FEDERAL SUPPLEMENTAL COMPENSATION

The growing concern in the U.S. Congress over the magnitude of the national unemployment rate (the highest since the 1930's depression) led to the enactment of the federal supplemental compensation program as part of the Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248).

The FSC program provides for the payment of 6, 8, or 10 weeks of unemployment benefits depending on the economic condition of the individual states. A minimum of six weeks is payable in all states; eight weeks in states with an IUR equal to or exceeding 3.5%; and ten weeks in those states "triggered on" EB on or after June 18, 1982. Claimants in Alaska are eligible for ten weeks. To be eligible for FSC an individual must meet the following criteria:

1. Exhausted all rights to regular compensation under state law.
2. Have no rights to any other compensation under state or federal law (including EB).
3. Have base period earnings that equal or exceed 40 times the weekly benefit amount.

4. Have had no disqualification imposed for voluntary leaving, discharge for misconduct, or refusing suitable employment.

5. Register with the state Job Service.

6. Actively seek work (and provide the state agency with tangible evidence of sustained work search).

7. Have a benefit year that ended after June 1, 1982 or must have been entitled to receive extended benefits after June 1, 1982 and have a benefit year that ended no more than two years before the filing of an initial FSC claim.

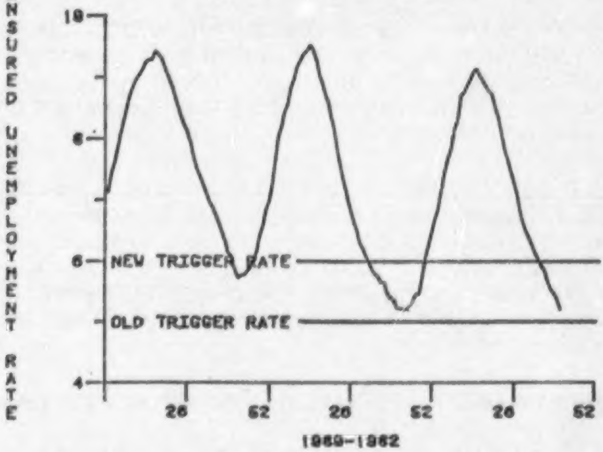
Benefit amounts paid under FSC are the same as those paid under the regular state UI program. All other provisions of the state law prevail. The FSC program is a temporary program which began with the week of September 12, 1982 and will expire the week of March 31, 1983. (EDITOR'S NOTE: Please refer specific eligibility questions to your nearest Job Service office.)

THE INSURED UNEMPLOYMENT RATE (IUR)

The insured unemployment rate (IUR) is a statistical indicator of the amount of unemployment occurring in jobs covered by a state's unemployment insurance laws. Only those persons collecting regular state UI are included in this indicator. The IUR should not be confused with the total unemployment rate (TUR) that is mentioned elsewhere in the publication. The TUR measures civilian labor force unemployment which includes more than workers covered by UI laws or collecting UI benefits. The TUR is based on a nationwide survey of households and is consistent from state to state. Alaska's IUR is not comparable to other state IURs. Such factors as UI eligibility requirements and amounts and duration of benefits affect the IUR. These factors are legislated in each individual state. Many claimants eligible for benefits in Alaska would not be eligible in other states. A combination of these internal factors precludes comparing IURs from state to state.

Alaska's IUR has almost always exceeded the IUR of all other states. The consistently high IUR in Alaska does not necessarily indicate an economy worse off than all other states. Alaska is very dependent on seasonal employment and also has liberal

UI coverage. Winter weather closes down a more substantial number of jobs in Alaska than in many areas. However, many states do not pay benefits to seasonal workers while Alaska does.


ALASKA INSURED UNEMPLOYMENT RATE
WEEKLY 1980 TO CURRENT

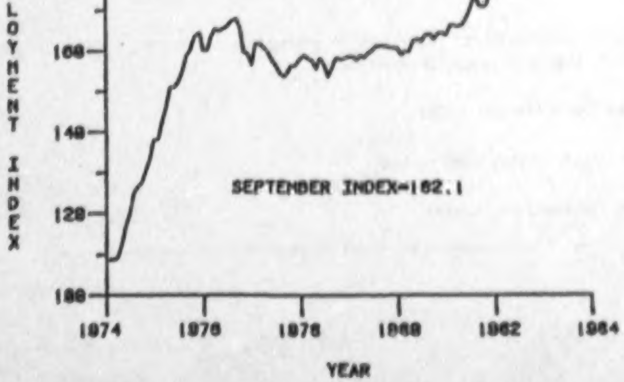
ALASKA

By Brit Harvey

NONAGRICULTURAL EMPLOYMENT

Alaska nonagricultural wage and salary employment declined during September by 3,100 jobs, or 1.5%. Compared to last year, employment is up by nearly 7%. Clearly Alaska's economy is continuing to expand vigorously.

The only substantial employment changes in September were in seafood processing and education. Seafood processing employment was almost halved from the August level, a loss of 5,400 jobs. While this decline was unusually steep, it may simply reflect the problems the industry encountered this year. It is probably more surprising that employment climbed as high as it did in July and August, than that it declined sharply in September.



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

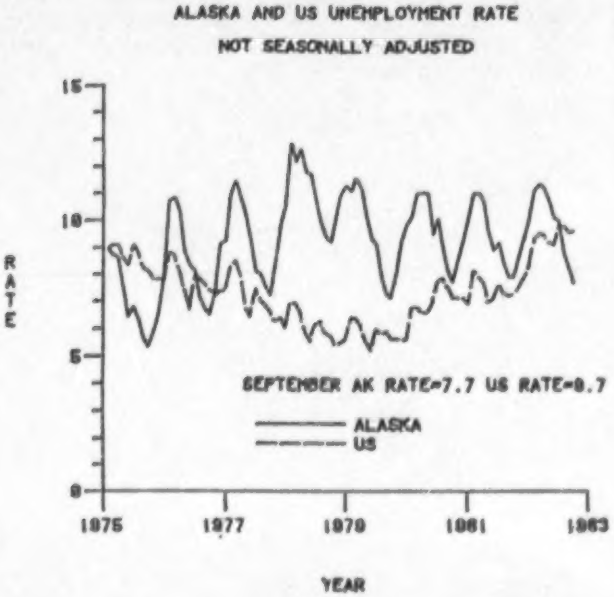
	P/	R/		CHANGES FROM:	
	9/82	8/82	9/81	8/82	9/81
Nonag. Wage & Salary.......	199100	202200	186500	-3100	12600
Mining	8100	8800	7500	-700	600
Construction	17900	18000	16300	-100	1600
Manufacturing	11900	17400	12900	-5500	-1000
Food & Kindred Prod......	5900	11300	6900	-5400	-1000
Lumber & Paper Prod.....	2500	2600	2700	-100	-200
All Other Mfg.	3500	3500	3300	0	200
Trans. Comm. & Util.	20200	19800	19400	400	800
Trucking & Wheeing.	2300	2300	2200	0	100
Water Transportation	1900	1700	1800	200	100
Air Transportation	5800	6000	6000	-200	-200
Other Transportation Comm. & Utilities	10200	9800	9400	400	800
Trade	35200	34900	32300	300	2900
Wholesale Trade	7000	6900	6200	100	800
Retail Trade...............	26200	26000	26100	200	2100
Gen. Merchandise & Apparel	4600	4500	4300	100	300
Food Stores..............	4900	4700	4500	200	400
Eating & Drinking Places	10300	10300	9100	0	1200
Other Retail Trade	8400	8500	8200	-100	200
Finance-Ins. & R. Estate ..	9400	9300	8700	100	700
Services & Misc............	34700	35100	32700	-400	2000
Government	61700	58900	56700	2800	5000
Federal Government	18300	18300	17500	0	800
State Government	18300	17400	16700	900	1600
Local Government........	25100	23200	22500	1900	2600

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.



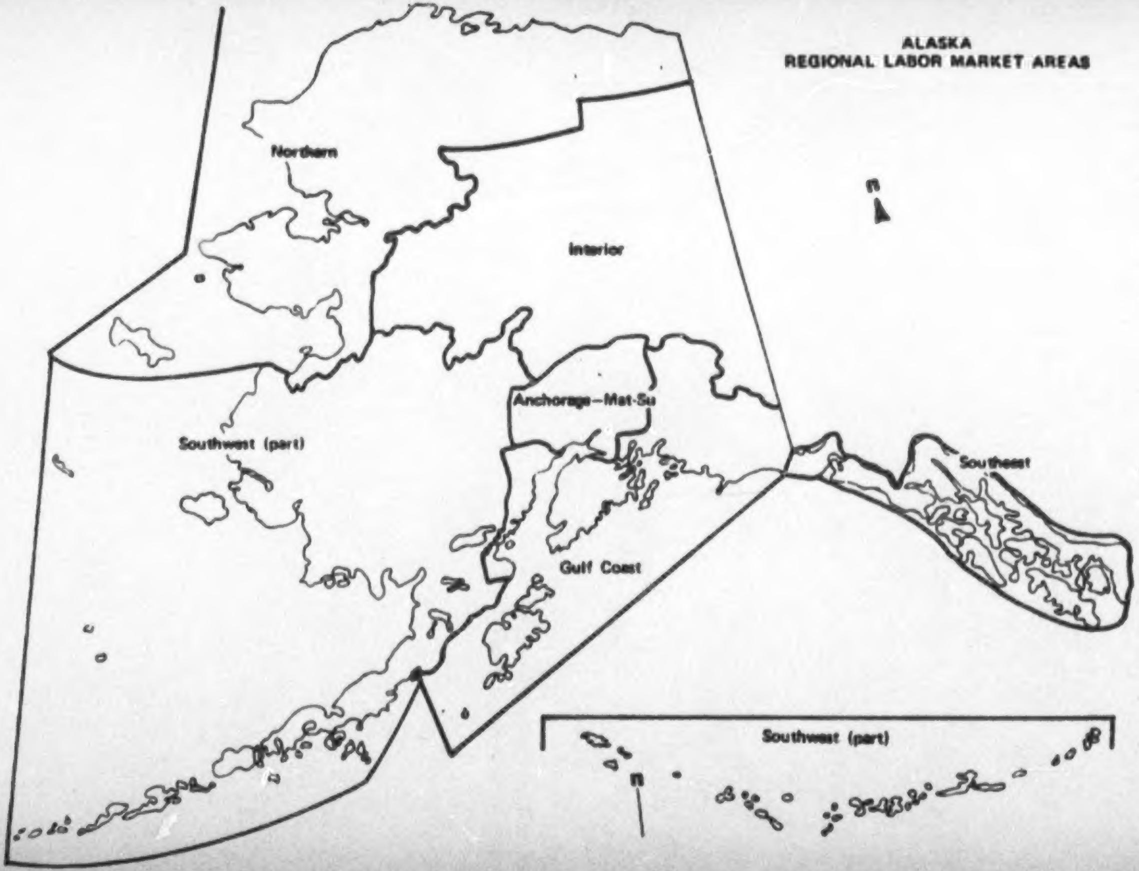
Education added 3,050 jobs as the school year began. Further increases will be registered in October as some school districts did not begin until after the sample week (the week including the twelfth) used for employment estimates.

Last fall nonagricultural employment did not fall as steeply as in previous years, particularly in the construction industry. It appears that this pattern will repeat this year, as construction employment remains a strong 10% above last year's boom level.

UNEMPLOYMENT

The Alaska unemployment rate dropped to 7.7% in September, down from 8.3% in August. This compares to the U.S. September not seasonally adjusted rate of 9.7%. Last year's Alaska September rate was 7.9%.

While the unemployment rate usually falls in September, the 0.6 percentage point drop this year is somewhat steeper than usual. For most of 1982 the unemployment rate was above 1981. However, September's decline brought the rate roughly



ALASKA
REGIONAL LABOR MARKET AREAS

Northern
Interior
Anchorage–Mat-Su
Southwest (part)
Southeast
Gulf Coast
Southwest (part)
n

in line with last year, indicating that Alaska's rapidly expanding employment has absorbed the large number of in-migrants arriving in the state this year.

ANCHORAGE/MATSU

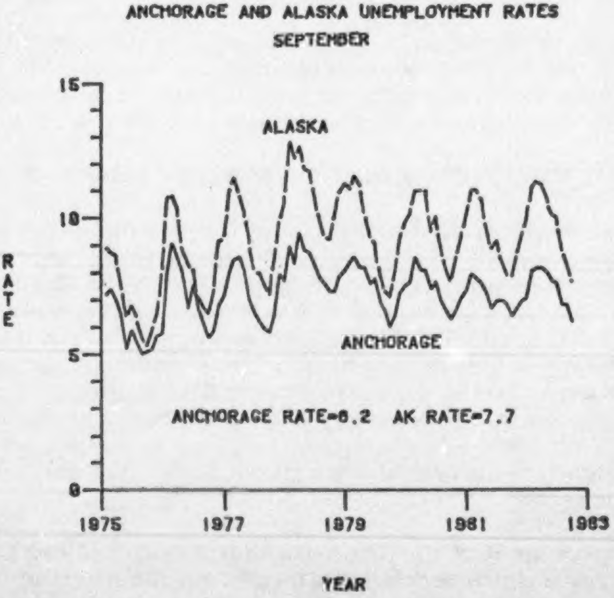
By Greg Huff

LABOR FORCE

The unemployment rate for the Anchorage-MatSu region fell eight-tenths of a percentage point to 6.6% in September. This was an unusually large August to September decrease caused primarily by a sharp decline in the number of unemployed. Also this was the first time this year the region's monthly unemployment rate registered below the year ago rate. This may indicate that the pace at which workers were entering the Anchorage labor force has tapered off for the winter. Time is needed to detect if this is a new trend or just a one month aberration.

NONAGRICULTURAL EMPLOYMENT

Anchorage total nonagricultural wage and salary employment



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

				CHANGES FROM:	
	P/	R/			
	9/82	8/82	9/81	8/82	9/81
Nonag. Wage & Salary.......	101050	100900	92650	150	8400
Mining	3600	3800	3250	-200	350
Construction	10650	10600	9300	50	1350
Manufacturing	2650	2850	2350	-200	300
Trans. Comm. & Util.	10100	10150	9350	-50	750
Trade	21700	21400	19400	300	2300
Finance-Ins. & R. Estate ..	6500	6600	6050	-100	450
Services & Misc.	19850	19950	18600	-100	1250
Government	26000	25550	24350	450	1650

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

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in September netted a two-tenths of a percent increase, despite the fact that employment in a majority of industries declined over the month. Increases in retail trade, construction and school employment offset these employment declines.

CONSTRUCTION EMPLOYMENT (1981-1982)

With termination dust just topping the mountain peaks September construction employment appears to have peaked for this season. Employment in September stood at 10,250, 14.5% above the year ago level and larger than the previous peak of 10,000 in August 1976. Because many projects now underway will take several quarters to complete, construction employment is expected to remain relatively strong through the winter despite seasonal declines. While it is difficult to predict activity farther into 1983 it is highly unlikely that construction activity and employment growth can duplicate that of the 1981 and 1982 seasons.

The ingredients of the "construction boom" of the past two years were activated last summer and steamed ahead into

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

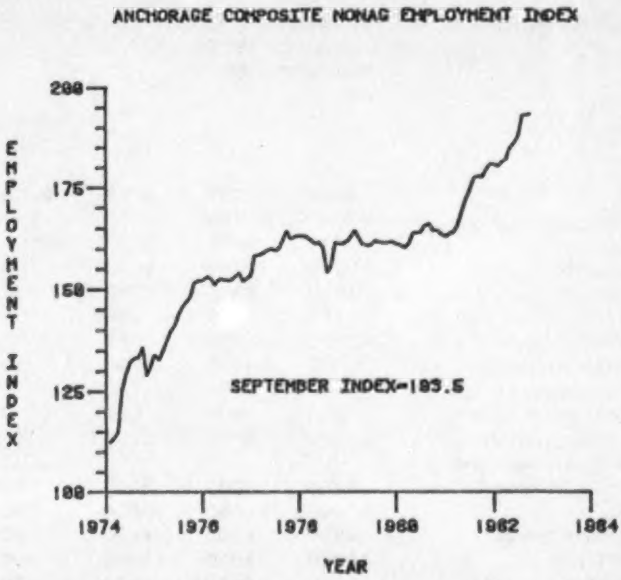
	P/ 9/82	R/ 8/82	9/81	CHANGES FROM: 8/82	9/81
Nonag. Wage & Salary	97300	97150	89100	150	8200
Mining	3500	3650	3150	-150	350
Construction	10250	10150	8950	100	1300
Manufacturing	2550	2800	2250	-250	300
Food & Kindred Prod.	450	700	500	-250	-50
Other Mfg.	2100	2100	1750	0	350
Trans. Comm. & Util.	9800	9850	8950	-50	850
Trucking & Wheeing.	1350	1350	1250	0	100
Water Transportation	600	600	500	0	100
Air Transportation	3450	3600	3250	-150	200
Other Transportation Comm. & Utilities	4400	4300	3950	100	450
Trade	21000	20650	18650	350	2350
Wholesale Trade	4850	4800	4400	50	450
Retail Trade	16150	15850	14250	300	1900
Gen. Merchandise	2000	1950	1950	50	50
Food Stores	2400	2350	2100	50	300
Eating & Drinking Places	5750	5600	4950	150	800
Other Retail Trade	6000	5950	5250	50	750
Finance-Ins. & R. Estate	6450	6500	6000	-50	450
Services & Misc.	19250	19450	18100	-200	1150
Government	24500	24100	23050	400	1450
Federal	10150	10200	9800	-50	350
State	6350	5950	5450	400	900
Local	8000	7950	7800	50	200

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.



1982. Although the increased construction activity in 1981 was not unexpected, the magnitude and diversity was. Private and public funds combined into an explosive force as residential, commercial and road projects were set into motion simultaneously. The Alaska Housing Finance Corporation (AHFC) mortgage program fueled demand for single family residences and condominiums, while record appropriations for road projects set the pace for road construction and a short supply of commercial office space induced the office building boom.

In 1981 construction employment grew more than 18% and accounted for 20% of the increase in total nonagricultural employment. More than 3,400 housing units were authorized by building permits in 1981, nearly a three-fold increase from 1980. Construction valuation in 1981 (excluding road expenditures) exceeded $422 million. The momentum continued into 1982. Construction employment remained unseasonally high through the first quarter of 1982 and continued to expand through the summer. September construction employment registered gains of 14.5% over the year ago level. Construction employment in September represented 10.5% of total Anchorage nonagricultural employment, up slightly from 10% in September of last year. Throughout the year construction

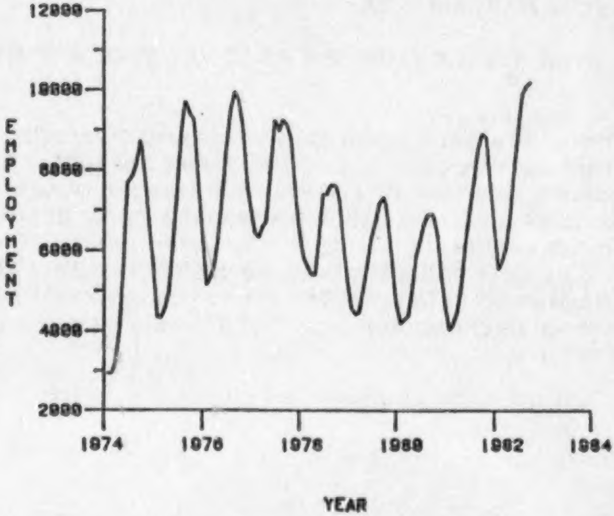
LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 9/82	*R* 8/82	9/81	*P* 9/82	*R* 8/82	9/81	*P* 9/82	*R* 8/82	9/81	*P* 9/82	*R* 8/82	9/81
Alaska Statewide	205631	211775	198565	15909	17653	15660	7.7	8.3	7.9	189722	194122	182905
Anch.-MatSu Region.....	106353	108006	99929	7056	8027	6787	6.6	7.4	6.8	99297	99979	93142
Anchorage.............	96028	97357	90315	5933	6643	5805	6.2	6.8	6.4	90095	90714	84510
Matanuska-Susitna	10325	10649	9614	1123	1384	962	10.9	13.0	10.2	9202	9265	8632
Gulf Coast Region	22984	25338	22272	2565	2015	2042	11.2	8.0	9.2	20419	23323	20230
Cordova	1157	1286	1155	64	38	72	5.5	3.0	6.2	1093	1248	1083
Kenai	11926	13233	11440	1522	1349	1132	12.8	10.2	9.9	10404	11884	10308
Kodiak	5186	5556	5020	524	230	401	10.1	4.1	8.0	4662	5326	4619
Seward	1695	1840	1638	239	177	195	14.1	9.6	11.9	1456	1663	1443
Valdez	3020	3423	3019	216	221	242	7.2	6.5	8.0	2804	3202	2777
Interior Region	26920	26934	26486	2777	3077	2634	10.3	11.4	9.9	24143	23857	23852
Fairbanks	22026	22017	21561	2348	2573	2120	10.7	11.7	9.8	19678	19444	19441
Southeast Fairbanks...	2129	2145	2159	155	194	209	7.3	9.0	9.7	1974	1951	1950
Upper Yukon	658	666	648	69	84	66	10.5	12.6	10.2	589	582	582
Yukon-Koyukuk.........	2107	2106	2118	205	226	239	9.7	10.7	11.3	1902	1880	1879
Northern Region	9092	8864	8897	506	702	582	5.6	7.9	6.5	8586	8162	8315
Barrow-North Slope ...	2453	2371	2419	137	169	176	5.6	7.1	7.3	2316	2202	2243
Kobuk..................	2845	2779	2752	180	246	172	6.3	8.9	6.3	2665	2533	2580
Nome	3794	3714	3726	189	287	234	5.0	7.7	6.3	3605	3427	3492
Southeast Region........	29911	30888	30649	2377	2623	2883	7.9	8.5	9.4	27534	28265	27766
Angoon	395	447	403	31	73	35	7.8	16.3	8.7	364	374	368
Haines	1022	1055	1018	93	101	81	9.1	9.6	8.0	929	954	937
Juneau..................	10636	10945	10828	643	684	750	6.0	6.2.	6.9	9995	10261	10078
Ketchikan	6171	6811	6798	379	865	957	6.1	12.7	14.1	5792	5946	5841
Outer Ketchikan	753	792	843	71	92	155	9.4	11.6	18.4	682	700	688
Prince of Wales	1453	1465	1454	179	157	169	12.3	10.7	11.6	1274	1308	1285
Sitka	4603	4485	4380	565	340	308	12.3	7.6	7.0	4038	4145	4072
Skagway...............	1460	1456	1452	113	74	94	7.7	5.1	6.5	1347	1382	1358
Wrangell-Petersburg.............	3416	3432	3473	303	237	334	8.9	6.9	9.6	3113	3195	3139
Southwest Region	10371	11745	10332	628	1209	732	6.1	10.3	7.1	9743	10536	9600
Aleutian Islands........	2736	2997	2711	87	132	100	3.2	4.4	3.7	2649	2865	2611
Bethel..................	3357	3918	3402	258	566	348	7.7	14.4	10.2	3099	3352	3054
Bristol Bay Borough ...	378	404	366	28	26	21	7.4	6.4	5.7	350	378	345
Bristol Bay	1377	1522	1354	69	107	65	5.0	7.0	4.8	1308	1415	1289
Kuskokwim	899	1057	909	54	143	76	6.0	13.5	8.4	845	914	833
Wade Hampton........	1624	1847	1590	132	235	122	8.1	12.7	7.7	1492	1612	1468

P/=Preliminary 1981 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.


ANCHORAGE CONSTRUCTION EMPLOYMENT

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employment has been growing at a faster pace than employment in the economy as a whole.

During the post-earthquake rebuild in 1964 and 1965 annual average construction employment climbed to more than 10% of total Anchorage employment and then declined to 7.3% by 1968. Construction employment's share of total employment rose again in 1970 for pre-pipeline start-up, peaked in 1975 and 1976 during the height of pipeline construction at 10.0%, and then fell to 7.1% in 1980. In 1981 the share rose to 8.0% and has continued upward in 1982. Construction valuation through August 1982 for the Anchorage Bowl was nearly $421 million up from $310 million in August 1981. The number of housing units authorized by building permits rose 81% over comparable 1981 data. However, the permit structure has changed from the 1981 season. Single family residences made up 66% of the total permits issued last year compared to 47% this year. The shift represents an increase in permits for condominium units. Last year condominiums represented 13% of authorized housing units compared to 35% this year. Anchorage's percentage share of statewide housing unit permits increased from 65% last year to 75% this year. This fact, combined with the office space building boom, increased Anchorage's share of statewide construction employment to more than 59% compared to 57% last year.

1981 and 1982 COMPARED TO THE PIPELINE BOOM

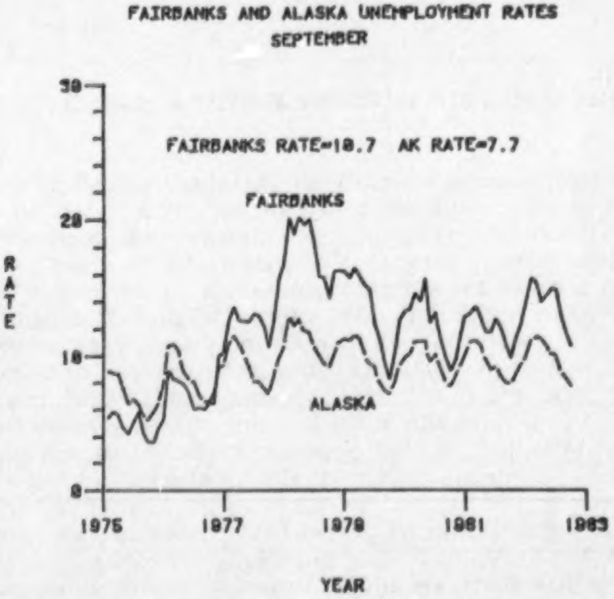
The primary difference in the magnitude and diversification of the current construction boom has been the fact that all of construction (residential, commercial, heavy construction, and special trade construction) received a boost at one time. The story was different during the "pipeline boom". General construction (residential and commercial) peaked in 1975 and declined between 1976 and 1981. Heavy construction peaked in 1976 and declined through 1979, while special trades peaked in 1977.

FAIRBANKS/INTERIOR

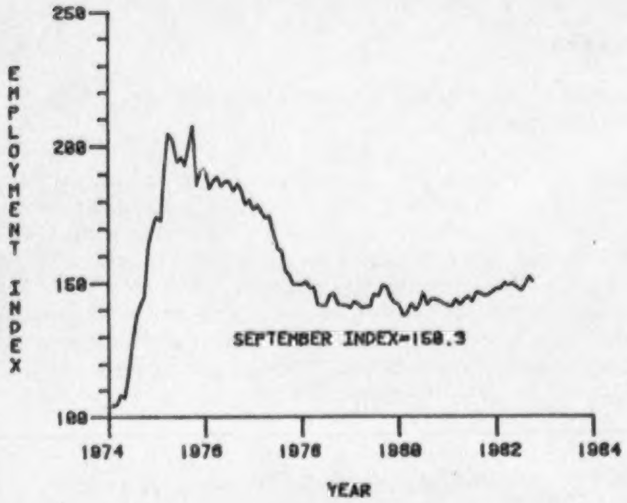
By Neal Fried

NONAGRICULTURAL EMPLOYMENT AND LABOR FORCE

Fairbanks nonagricultural wage and salary employment turned upward in September because of an increase of 500 in University of Alaska and local school employment. All other major industry groups remained unchanged or declined. The Interior region's unemployment rate for September declined to 10.3% as a result of the season's last upward push in employment combined with a decline in the number of unemployed. September's rate, however, registered higher than the year ago rate.


FAIRBANKS AND ALASKA UNEMPLOYMENT RATES
SEPTEMBER

FAIRBANKS COMPOSITE NONAG EMPLOYMENT INDEX



A SNAPSHOT OF BUSINESSES EMPLOYMENT SIZE

On a monthly basis we publish and discuss labor force and wage and salary statistics. These statistics, however, do not provide information regarding business establishment size in the Fairbanks economy. One source that does shed some light into this area is the annual publication *County Business Patterns* published by the U.S. Bureau of the Census. This publication provides a great deal of information already produced by the Alaska Department of Labor, such as employment by industry, payroll data, and number of business establishments (Labor definition of business establishment differs slightly from the Census definition.) It also contains statistics regarding business establishment size by industry for Alaska, each of Alaska's 29 census divisions, and for counties throughout the country. The most recent data, published in July of this year, provide a snapshot in time, that reflects activity for 1980. The data are restricted to the private sector; therefore this discussion will be limited to private sector, not total employment.

In 1980 there were 1,075 business establishments in Fairbanks. The average establishment size was 11 employees, compar-

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

				CHANGES FROM:	
	P/	R/			
	9/82	8/82	9/81	8/82	9/81
Nonag. Wage & Salary......	27850	27300	26950	550	900
Mining	250	250	250	0	0
Construction	2550	2550	2550	0	0
Manufacturing	600	600	700	0	-100
Trans. Comm. & Util.	3750	3750	3750	0	0
Trade	4700	4650	4500	50	200
Finance-Ins. & R. Estate ..	900	850	800	50	100
Services & Misc.	4900	4950	4750	-50	150
Government	10200	9700	9650	500	550

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

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able to 12 statewide, 13 in Anchorage. Nationwide there was an average of 16 employees per establishment. Twenty of Alaska's 29 census divisions had an average employment per establishment size below that of Fairbanks. In 1974 (the earliest date for which comparable data exist for Fairbanks) the average business in Fairbanks had 10 employees.

Growth in the Fairbanks economy has caused the average business size to grow. Given the fact that Fairbanks has the second largest economy in the state, it should come as no surprise that its employment per establishment is greater than most other divisions in the state. As the economy has grown, existing firms in the area have expanded and have increasingly taken advantage of the economies of scale. When these economies of scale reach some critical size, larger national firms with greater capital resources begin to enter the local economy. This manifested itself particularly in the Fairbanks retail sector, but has occurred to a lesser extent in all its industries. This trend toward a larger sized firm will endure as long as the local economy continues to expand.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/	R/		CHANGES FROM:	
	9/82	8/82	9/81	8/82	9/81
Nonag. Wage & Salary	23950	23800	23150	150	800
Mining	50	50	50	0	0
Construction	2400	2450	2400	-50	0
Manufacturing	500	500	550	0	-50
Trans. Comm. & Util.	2800	2900	2850	-100	-50
Trucking & Wheeing.	450	450	450	0	0
Air Transportation	700	750	700	-50	0
Other Trans. Comm. & Utilities	1650	1700	1700	-50	-50
Trade	4300	4300	4150	0	150
Wholesale Trade	750	750	700	0	50
Retail Trade	3550	3550	3450	0	100
Gen. Merchandise & Apparel	400	400	400	0	0
Food Stores	600	550	550	50	50
Other Retail Trade	2550	2600	2500	-50	50
Finance-Ins. & R. Estate	800	800	750	0	50
Services & Misc.	4450	4650	4300	-200	150
Government	8650	8150	8100	500	550
Federal	2500	2500	2400	0	100
State	3800	3550	3400	250	400
Local	2350	2100	2300	250	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

Fifty-five percent of Fairbanks business establishments have 1-4 employees and 89% of the establishments have 19 employees or less. This is virtually identical to the state's distribution and only two percentage points above the national distribution. Though most Fairbanks business establishments are small, more than 50% of the people working in the private sector work in establishments with 20 or more workers. The average number of employees per establishment varies between industries from a low of 9 employees in construction to a high of 26 in transportation and public utilities. The average employee per establishment sizes of other industries are retail trade (12), finance, insurance and real estate (14) and services (11).

Though this is only a synopsis of the information that can be found in *County Business Patterns*, this discussion provides some further insight into the Fairbanks labor market.

GULF COAST

By Neal Fried

LABOR FORCE

The unemployment rate for the Gulf Coast region rose sharply in September to 11.2% as a result of a decline in employment and a large increase in the number of unemployed. This is nothing new to the region where seafood processors are the dominant seasonal employers and employment in this industry fluctuates wildly. Fish processing employment in September dropped by 2,400 from August.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK GULF COAST

				CHANGES FROM:	
	P/ 9/82	R/ 8/82	9/81	8/82	9/81
Nonag. Wage & Salary	17650	20050	17350	-2400	300
Mining	900	900	900	0	0
Construction	1250	1300	1150	-50	100
Manufacturing	3700	6150	3850	-2450	-150
Food & Kindred Prod.	2900	5300	2900	-2400	0
All Other Mfg.	800	850	950	-50	-150
Trans. Comm. & Util.	1750	1700	1700	50	50
Trade	2600	2700	2550	-100	50
Wholesale Trade	400	450	400	-50	0
Retail Trade	2200	2250	2150	-50	50
Finance-Ins. & R. Estate	450	450	450	0	0
Services & Misc.	2650	2800	2550	-150	100
Government	4350	4050	4200	300	150
Federal	500	500	550	0	-50
State	1450	1400	1400	50	50
Local	2400	2150	2250	250	150

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

VALDEZ: THE LEAST SEASONAL GULF COAST COMMUNITY

Very few Gulf Coast communities escape the wild employment fluctuations that are inherent in Alaska's fishing industry. One major community in the region which has an economy that is largely immune from these oscillations despite its coastal location is Valdez. Valdez may physically resemble some of the region's communities, however, its economic base is entirely unlike any other.

This year two small fish processors were operating in Valdez. However, their employment share of the Valdez labor market was very small in comparison to many of the other industries. Valdez employment experiences much less seasonal impact than other communities in the region as employment fluctuates from its high month to its low month by approximately 25%. Employment in other Gulf Coast communities fluctuates as much as 66%.

When referring to Valdez employment we are referring to the Valdez-Chitina-Whittier census division which includes not only the city of Valdez but also the cities of Glennallen, Copper Center, Gulkana, Gakona and other small communities. The city of Valdez is responsible for the lion's share of the employment found in the division.

Valdez employment and population, both of which tripled over the decade, grew faster than nearly every community in the state and all communities in the region. The single largest private sector industry is transportation; the transportation of oil. Unlike anywhere else in the state, transportation, communication and public utilities employ 20-22% of the wage and salary workers in Valdez. The largest group of these workers is employed at the Alyeska Pipeline terminal. Employment in this industry alone has grown from 61 in 1970 to 500 in 1980.

Other industries have shared in this rapid growth over the decade with employment in trade doubling and services growing by 350%. Government only grew by 59%, but remains the single largest employer, employing approximately 40% of the working population. Valdez, an integral part of the pipeline experience, went through the boom-bust cycle of that project. Peak employment of 7,200 was reached in August 1976 and employment fell to its low point of 1,800 in December 1978. Despite the post-pipeline employment decline the permanent work force is now 2.5 times greater than pre-pipeline employment levels.

Once Valdez employment stabilized in 1978 and 1979, it began to grow again, in a steady manner unlike pipeline boom time. With its enlarged tax base (primarily the result of the pipeline terminal) the city of Valdez began to undertake a variety of projects to diversify the economy and to enhance the community. Unlike most communities that had to wait for state funding of major capital undertakings, Valdez has been able to strike out on its own and get a head start. In addition to a number of smaller projects, Valdez recently completed a $6 million Civic Auditorium. Presently the city is funding the construction of a $9 million grain terminal with which they hope to capture some or all of the grain export business that may be generated by the Delta Agricultural Project. (The city plans to sell the terminal to a private firm.) Work is also being completed on a $48 million container terminal and floating dock. With the new dock Valdez hopes to become the new gateway for freight headed to the interior and northern parts of the state as well as for freight leaving Alaska. These projects have generated additional construction employment in Valdez as well as the hope that the projects will generate additional permanent employment not dependent on oil.

SOUTHEAST ALASKA

By Debbie Berggren

NONAGRICULTURAL EMPLOYMENT AND LABOR FORCE

Southeast nonagricultural wage and salary employment decreased 2% to 28,500 during September. Despite the drop in employment, the unemployment rate declined six-tenths of a percentage point to 7.9%.

Construction employment was down 3% over the month. Heavy construction employment was 3% above August, but was 36% below year-ago. The over-the-year decrease can be attributed to the completion of several projects which include Green Lake Dam, the Juneau-Douglas bridge, and the Douglas highway. Special trades employment was down 11% over the month, but was 31% above last year.

Manufacturing employment declined 17%, or 650 jobs, during September. As the salmon season ended, food and kindred products employment decreased 30% over the month. Logging employment which was down 25%, or 250 jobs, over the month will continue to decrease in October. Seven logging camps which contract to Alaska Lumber and Pulp Company shut down their logging operations at the beginning of October. These camps are Larabee Log, Mud Bay Logging, Silver Bay Logging, Sotherberg Bay Logging, Troy Bay Logging, Tyler Brothers Logging and L.O.G. Logging. The camps which typically reduce operations in December are closing early because of the continuing poor international timber and pulp markets. During September, Alaska Lumber and Pulp Company closed its Sitka pulpmill for approximately a month. This was almost a complete closure with only a few employees left working. The nonagricultural wage and salary employment estimate did not reflect the closure because these people were employed for part of the pay period which included the 12th of the month. However, Sitka's unemployment rate, which increased from 7.6% in August to 12.3% in September, reflected the closure because these people were filing for unemployment insurance. On the other hand, Ketchikan's unemployment rate decreased from 12.7% in August to 6.1% in September. This was because the Ketchikan pulpmill, which was closed

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	9/82	8/82	9/81	8/82	9/81
Nonag. Wage & Salary.......	28500	29050	28200	-550	300
Construction	1700	1750	1800	-50	-100
Manufacturing	3200	3850	3450	-650	-250
Food & Kindred Prod......	1050	1500	1150	-450	-100
Lumber & Paper Prod....	1850	2050	2100	-200	-250
All Other Mfg.	300	300	200	0	100
Trans. Comm. & Util.	2600	2600	2800	0	-200
Trade	4450	4500	4150	-50	300
Wholesale Trade	400	450	450	-50	-50
Retail Trade...............	4050	4050	3700	0	350
Finance-Ins. & R. Estate ..	1100	1100	1050	0	50
Mining, Services & Misc............	4250	4350	4000	-100	250
Government	11200	10900	10950	300	250
Federal	2050	2100	2150	-50	-100
State	5350	5150	5000	200	350
Local......................	3800	3650	3800	150	0

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

during July and part of August, was back in operation during September.

Government was the only industry which had increased employment during September. Due to the start of the new school year, state and local education employment increased 150 and 200 jobs, respectively. State noneducation employment increased by 50 jobs, while local noneducation employment dropped by 50 jobs.

HOURS AND EARNINGS IN AUGUST

By Su Hendrix

Current hours and earnings indicated a 26% over-the-year increase in mining's average weekly earnings. This rise was due to several factors. Employment in mining other than oil and gas was higher than it has ever been. Since this sector traditionally works higher hours during its summer season, the average weekly hours for the whole industry rose. The fact that oil and gas mining did not experience its usual summer slump added to these higher hours. The 15% over-the-year increase in average hourly earnings was partly due to the fact that the higher paid oil and gas workers worked through the anticipated summer slump and partly because of union wage increases for many of the oil and gas support services. Support services include activities such as maintenance, repair, and building of oil rigs, much of which is done on a contract basis.

Though employment in the food processing sector did not meet year-ago levels, average weekly hours worked surpassed year-ago figures. The over-the-month increase in average weekly hours was 24% due to long hours worked during peak salmon catches.

There were no other significant changes in August hours and earnings.

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ALASKA DEPARTMENT OF LABOR

BILL SHEFFIELD, GOVERNOR

ALASKA ECONOMIC
TRENDS

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Bill Sheffield, Governor
State of Alaska

Jim Robison, Commissioner
Department of Labor

John E. Post, Director
Administrative Services

Chuck Caldwell, Chief
Research and Analysis

Sally Saddler, Editor

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

December 1982
Volume 2
Issue 12

ALASKA ECONOMIC TRENDS is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99811. Controlled circulation approval pending at Juneau, Alaska 99811.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99811.

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ERRATA page 1, paragraph 3.

Preliminary State population as of July 1980. . .
Correction:
Preliminary State population as of July **1982. . .**

ALASKA

By Brit Harvey

POPULATION GROWTH IMPACTS EMPLOYMENT

Population growth is often viewed as a function of basic industry growth. As basic industry expands, overall employment grows, with population following as in-migrants arrive to take advantage of new opportunities. While this causal link between basic industry and population levels is certainly valid and important, the total relationship is more complex.

Population growth is the key element in economic "maturation." As population increases, threshold levels of demand for secondary industry goods and services are reached, stimulating an increasing amount of secondary industry employment per basic industry job. This process exhibits positive feedback, that is, it "feeds on itself." As secondary industries mature, they draw more population, allowing further maturation. Alaska is currently experiencing this process, primarily in the Anchorage area.

Alaska population in April 1980 was 401,851 according to the decennial census. However, some undercounting probably occurred. A rough estimate of July 1980 population based on the census figure is 406,000. Preliminary State population as of July 1980 is conservatively estimated to be in excess of 460,000.1/ While census undercounts or estimating idiosyncracies may account for some portion of the difference, it is clear that Alaska is experiencing dramatic population expansion. The focus of this expansion is the Anchorage area and the lower railbelt generally. The economic implications are substantial and frequently overlooked.

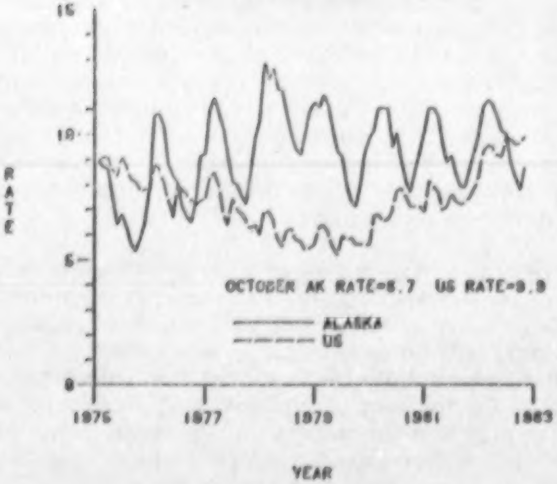
There are many examples of economic sectors where employment is expanding in response to population growth. Medical services which previously required trips to Seattle are increasingly available in Alaska. Increased population helps support demand for education at the University of Alaska, allowing the provision of educational programs which were previously not available in-state. Perhaps most significant is increasing competition in both price and availability among

1/ Alaska Department of Labor Estimate.

trade and service businesses. As population increases, particularly in Anchorage, demand thresholds are met for increasingly specialized providers of goods and services. Mail order sales diminish, as does the necessity to contract with outside consultants. The population increases associated with this employment growth result in further demand and the process continues.

An interesting result of this positive feedback loop is changes in employment "multipliers," or the number of secondary industry jobs supported by each basic industry job. During Alaska's frontier period, when limited demand supported few secondary businesses, multipliers were very low. As Alaska's economy matures, the multipliers for basic industry employment are changing, rendering historical relationships between basic and secondary employment outdated.

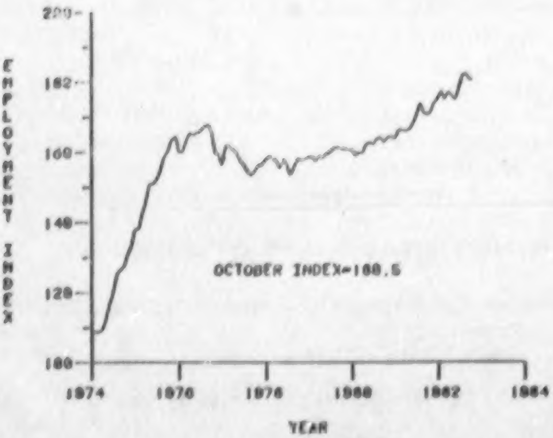
The process of economic maturation does not end when secondary industries mature. When population expands sufficiently, basic industries such as agriculture and manufacturing for local demand become economically viable. Alaska is a long way from this degree of economic maturation.


ALASKA AND US UNEMPLOYMENT RATE
NOT SEASONALLY ADJUSTED

OIL INDUSTRY TRENDS

While oil prices continue to hold steady, the downward pressure is mounting. Several OPEC countries are undercutting the price agreement imposed by Saudi Arabia, and non-OPEC sources such as Mexico and Great Britian have cut prices. Despite Prudhoe Bay wellhead prices drifting slightly higher during the summer, the probability remains of further price declines.

Should world oil price declines materialize, most analysts see a period of relative austerity for the large multinational oil corporations which operate in Alaska. This could mean fewer resources allocated by the industry to Alaska exploration, and a resulting slowing in employment growth. The large sums spent on federal Beaufort Sea leases recently tend to indicate, however, that any scrimping and saving in Alaska will be minimal. Having sunk large amounts of cash in leases, companies will be under pressure to receive a return as soon as possible, even if "as soon as possible" in the energy industry is five to ten years. It appears that the attractiveness of the Beaufort Sea geology overwhelms any corporate budget fears. Alaskans will probably be affected by oil price declines through the medium of state expenditures rather than through diminished oil company budgets.



ALASKA COMPOSITE NONAG EMPLOYMENT INDEX

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

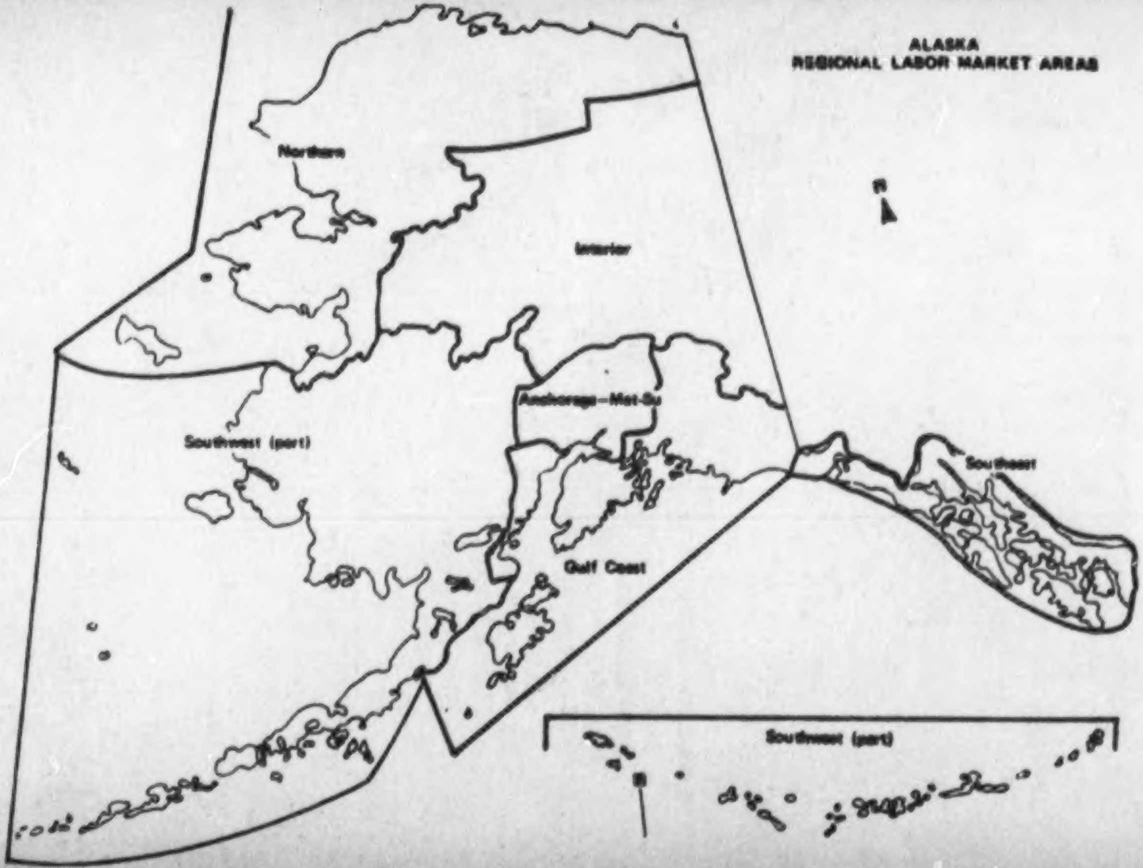
	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/	r/		p/	r/		p/	r/	
	8/82	7/82	8/81	8/82	7/82	8/81	8/82	7/82	8/81
MINING	$21.90	$21.78	$19.06	54.7	53.6	49.9	$1197.93	$1167.41	$951.099
CONTRACT CONST.3/	23.79	23.84	21.54	45.6	46.1	49.5	1084.82	1099.02	1066.23
MANUFACTURING	10.24	10.63	10.27	49.1	41.9	47.0	502.78	445.40	482.69
Food & Kindred Prod.......	8.27	8.16	8.33	53.2	42.8	50.0	439.96	349.25	416.50
Lumber & Paper Prod......	15.14	14.71	14.57	39.6	38.6	41.5	599.54	567.81	604.66
TRANS., COMM. & UTIL.	14.95	15.00	14.14	40.3	39.0	40.9	602.49	585.00	578.33
TRADE	9.88	9.73	9.50	35.7	35.6	35.9	352.72	346.39	341.05
Wholesale Trade	11.75	11.75	11.55	40.2	38.5	39.2	472.35	452.38	452.76
Retail Trade.................	9.04	8.87	8.65	34.0	34.5	34.6	307.36	306.02	299.29
FINANCE, INS. & R.E.........	--	--	--	--	--	--	362.36	361.06	342.87

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.


ALASKA
REGIONAL LABOR MARKET AREAS

N
Northern
Interior
Anchorage—Mat-Su
Southwest (part)
Southeast
Gulf Coast
Southwest (part)

British Petroleum (BP), acting independently and through Sohio, its 53% owned U.S. affiliate, was the most active bidder in the recent Beaufort Sea lease sale. BP is undergoing a somewhat painful transition. Originally named Anglo-Iranian Petroleum, BP for many years depended on crude production in British colonies and quasi-colonies, primarily Iran and Nigeria. Having lost control of both these sources, BP is now heavily dependent on Alaskan production. BP, the world's sixth largest corporation, relied entirely on Sohio for its profits in the first half of 1982.2/ Sohio contributed more than a quarter of a billion dollars to BP's profits during this period. BP is currently attempting to strengthen its position in Alaska, while simultaneously closing unprofitable European refining capacity. With approximately a 26% share of Prudhoe Bay (through Sohio), a 29% share of Kuparuk, and 33% ownership (directly and through Sohio) of the oil pipeline, BP has more at stake in Alaska than any other corporation.

THE JAPANESE ECONOMY

The Alaska fishing and forest products industries depend on Japanese demand for their products. While in recent years the Japanese economy, and its industrial organization in particular, have been envied and emulated by U.S. businesses, the Japanese themselves are not so sanguine. Japanese sources describe the current situation with words such as "sank deeper into the quagmire," "slipped further," and "sluggish."3/

A strong yen decreases the relative price of Alaska products in Japan. The decline in U.S. interest rates of the past few months was expected to result in a stronger yen. Instead, the yen dropped even further to 276 to the dollar as of mid-November, primarily due to a massive outflow of yen from Japan. To make matters worse, Japanese housing starts, the primary indicator of demand for Alaska logs and cants, are continuing to decline. The combination of weak demand and a weak yen results in a dreary outlook for Alaska forest products employment.

NONAGRICULTURAL EMPLOYMENT

Alaska nonagricultural wage and salary employment declined

2/ Petroleum Economist; October 1982; p. 400.

3/ Industrial Bank of Japan, Monthly Report; September 1982; p. 17.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

				CHANGES FROM:	
	P/	R/			
	10/82	9/82	10/81	9/82	10/81
Nonag. Wage & Salary......	191700	197700	182800	-6000	8900
Mining	7900	8300	7500	-400	400
Construction	17500	18100	15500	-600	2000
Manufacturing	8900	12100	10500	-3200	-1600
Food & Kindred Prod.....	3400	6200	4800	-2800	-1400
Lumber & Paper Prod....	2300	2500	2500	-200	-200
All Other Mfg.	3200	3400	3200	-200	0
Trans. Comm. & Util.	18700	19800	18000	-1100	700
Trucking & Wheeing.	2000	2200	2100	-200	-100
Water Transportation	1600	1800	1300	-200	300
Air Transportation	5500	5600	5600	-100	-100
Other Transportation Comm. & Utilities	9600	10200	9000	-600	600
Trade	34500	34800	32300	-300	2200
Wholesale Trade	6900	6900	6200	0	700
Retail Trade	27600	27900	26100	-300	1500
Gen. Merchandise & Apparel	4600	4500	4400	100	200
Food Stores	4900	4800	4400	100	500
Eating & Drinking Places	9500	9900	9200	-400	300
Other Retail Trade	8600	8700	8100	-100	500
Finance-Ins. & R. Estate ..	9300	9500	8700	-200	600
Services & Misc.	33500	34300	32400	-800	1100
Government	61400	60800	57900	600	3500
Federal Government	17500	18000	17500	-500	0
State Government	18400	18300	17200	100	1200
Local Government	25500	24500	23200	1000	2300

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

by 6,000 jobs in October to 191,700. This decline is normal for October, as after seasonal adjustment there was no significant change in employment. Compared to last year, October employment was up almost 9,000 jobs, or 5%, reflecting continued strong growth in the Alaska economy. Alaska remains immune to the deteriorating economic conditions afflicting the rest of the U.S. and most of the world.

Among the basic industries, mining employment declined, as it usually does in the period between summer and the completion of ice roads on the North Slope. Mining employment remained about 5% above last year.

Construction, Alaska's premier growth industry, had an employment level 13% above last year. Although employment declined by 600 jobs during October, seasonally adjusted this was an increase. This is probably due to the increasingly year-round nature of Alaska construction.

Seafood processing employment virtually collapsed in October, dropping to the lowest October level since the current employment reporting system began in 1974. The near-complete disappearance of king crab throughout the state promises to make this a dismal fall and early winter in the fisheries-based towns around the state.

Forest products also is depressed, which is nothing new. A gigantic stumpage price decrease granted by the Forest Service to Louisiana Pacific-Ketchikan may improve profitability enough to translate into some employment gain, but this is not at all certain.

Government employment increased due to hirings for the new school year. Otherwise all levels of government decreased employment.

The secondary industries showed varying declines which roughly paralleled the overall decline in employment during the month.

ANCHORAGE MAT/SU

By Greg Huff

NONAGRICULTURAL EMPLOYMENT

Anchorage's first seasonal employment declines showed up in October, as employment dipped 2% below September. This is a predictable seasonal trend as the economy begins to slow down for the winter season. While services and construction industries experienced the largest losses, nearly all major industries also lost employment.

TRADE: ANCHORAGE'S MORE STABLE INDUSTRY

Trade in October is the one industry that bucks the seasonal trend because it traditionally begins to gear up for the Christmas season. Trade is also one of Anchorage's more stable industries. It reflects only modest seasonality for the summer tourist season and again for Christmas. The industry, comprised of retail and wholesale businesses, accounts for approximately 20% of total Anchorage wage and salary employment and is the second largest employer in Anchorage (government ranks first).

Trade employment is similar at the national level representing 22% of total U.S. employment. Because the national figure is an average for the nation there are places where trade employment constitutes a larger or smaller portion of total employment. Statewide trade employment represents 17% of total wage and salary employment; of this, 57% is in Anchorage. Anchorage has a higher proportion of trade employment than Alaska because it is the main distribution and transportation center for a large portion of the state. Anchorage has reached the critical market size to support a diversity of businesses including franchised firms.

Anchorage trade employment increased 3.5% compounded annually from 1974 to 1980. The only decline occurred in 1980 as a result of the sluggish post-pipeline economy. In 1981 trade employment surpassed previous levels by expanding 6.6% to 17,700. This increase was partially due to the opening of the Northway Mall and renewal of intensified economic activity. The 1982 season is expected to bring similar to greater increases in trade employment due to the expansion of the Dimond Mall, renewed interest in small retail malls and a new interest in "retail condos" where the business owns its space.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK ANCHORAGE

				CHANGES FROM:	
	P/	*R/*			
	10/82	**9/82**	**10/81**	**9/82**	**10/81**
Nonag. Wage & Salary	95400	97050	88700	-1650	6700
Mining	3350	3500	3200	-150	150
Construction	9750	10200	8850	-450	900
Manufacturing	2300	2550	2000	-250	300
Food & Kindred Prod.	350	450	300	-100	50
Other Mfg.	1950	2100	1700	-150	250
Trans. Comm. & Util.	9450	9750	8650	-300	800
Trucking & Whseing.	1250	1300	1150	-50	100
Water Transportation	500	600	450	-100	50
Air Transportation	3350	3450	3100	-100	250
Other Transportation Comm. & Utilities	4350	4400	3950	-50	400
Trade	20900	20800	18750	100	2150
Wholesale Trade	4850	4850	4500	0	350
Retail Trade	16050	15950	14250	100	1800
Gen. Merchandise	1950	1900	1950	50	0
Food Stores	2400	2350	2100	50	300
Eating & Drinking Places	5750	5750	4850	0	900
Other Retail Trade	5950	5950	5350	0	600
Finance-Ins. & R. Estate	6450	6450	5950	0	500
Services & Misc.	18900	19400	18050	-500	850
Government	24300	24400	23250	-100	1050
Federal	9850	10000	9800	-150	50
State	6450	6350	5800	100	650
Local	8000	8050	7650	-50	350

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P/ 10/82	*R/* 9/82	10/81	CHANGES FROM: 9/82	10/81
Nonag. Wage & Salary......	99700	100900	92450	-1200	7250
Mining	3450	3600	3300	-150	150
Construction	10150	10600	9200	-450	950
Manufacturing	2350	2600	2100	-250	250
Trans. Comm. & Util.	9750	10100	9050	-350	700
Trade	21650	21550	19500	100	2150
Finance-Ins. & R. Estate ..	6500	6550	6000	-50	500
Services & Misc.	19400	19900	18550	-500	850
Government	26450	26000	24750	450	1700

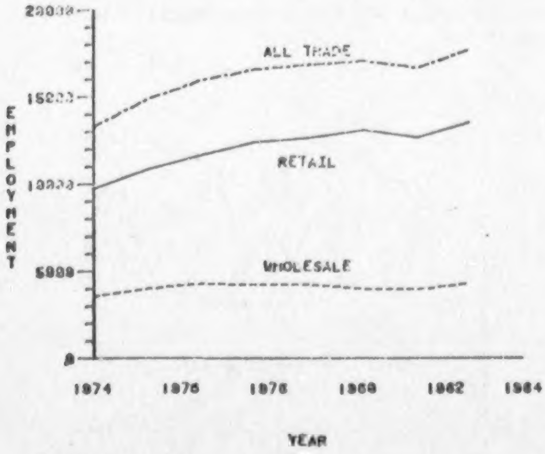
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

ANCHORAGE ANNUAL AVERAGE TRADE EMPLOYMENT

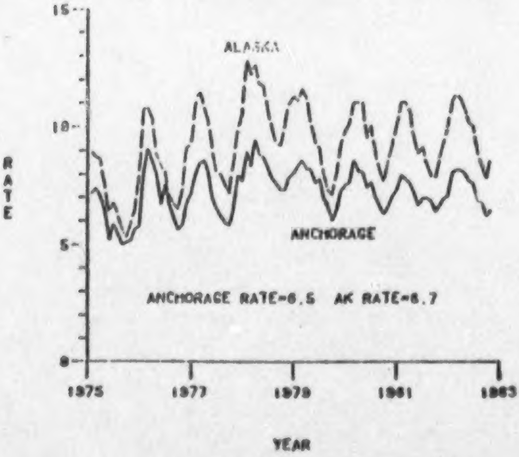


The trade industry is meeting the increased market demand and aggregate purchasing power caused by population growth and increases in per capita income. Despite healthy growth in trade over the past two years, trade's percentage share of total nonagricultural employment has remained stable over the past eight years.

There have been some interesting changes within the industry itself. Percentage share shifts have occurred in five broad retail sectors: general merchandise (Sears, Penney's, etc.); food stores; auto dealers and gas stations; eating and drinking places; and miscellaneous retail stores (drug stores, variety shops, etc.). Of these, eating and drinking places employ the largest portion of employees in the trade industry, followed by miscellaneous retail stores, food stores, general merchandise and automotive.

The share shift has occurred between four of these categories. General merchandise and automotive, having had no significant employment changes over 1974 levels, remain a stable share of total trade employment. Employment in food stores and eating and drinking places has increased 10.5% and 6.5% compounded annually which has increased their share of total trade employment. If trade employment breakouts for the U.S. as a whole are an indication of the direction of Anchorage,

ANCHORAGE AND ALASKA UNEMPLOYMENT RATES



LABOR FORCE BY REGION AND CENSUS DIVISION

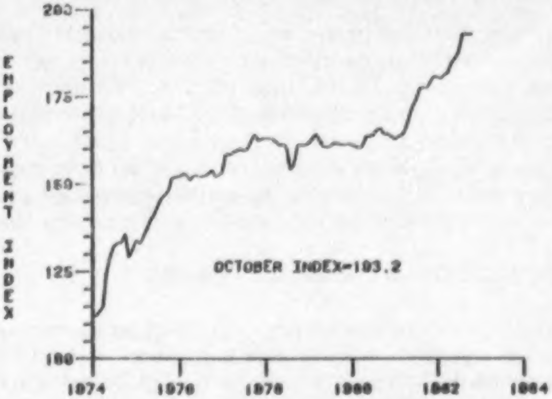
	Labor Force			Unemployment			Rate			Employment		
	P 10/82	*R* 9/82	10/81	*P* 10/82	*R* 9/82	10/81	*P* 10/82	*R* 9/82	10/81	*P* 10/82	*R* 9/82	10/81
Alaska Statewide	200407	204572	195927	17337	15892	16941	8.7	7.8	8.6	183070	188680	178986
Anch.-MatSu Region.....	104739	105579	99847	7313	7046	7095	7.0	6.7	7.1	97426	98533	92752
Anchorage.............	94494	95327	90189	6097	5925	6033	6.5	6.2	6.7	88397	89402	84156
Matanuska-Susitna	10245	10252	9656	1216	1121	1062	11.9	10.9	11.0	9029	9131	8596
Gulf Coast Region	21729	22891	21995	2782	2561	2283	12.8	11.2	10.4	18947	20330	19712
Cordova	1112	1152	1158	98	64	103	8.8	5.6	8.9	1014	1088	1055
Kenai	11302	11878	11370	1648	1519	1326	14.6	12.8	11.7	9654	10359	10044
Kodiak	4819	5164	4860	493	522	359	10.2	10.1	7.4	4326	4642	4501
Seward	1645	1689	1660	294	239	254	17.9	14.2	15.3	1351	1450	1406
Valdez	2851	3008	2947	249	217	241	8.7	7.2	8.2	2602	2791	2706
Interior Region	26698	26688	26360	3266	2773	3002	12.2	10.4	11.4	23432	23915	23358
Fairbanks	21846	21838	21470	2747	2345	2432	12.6	10.7	11.3	19099	19493	19038
Southeast Fairbanks...	2103	2110	2145	187	155	235	8.9	7.3	11.0	1916	1955	1910
Upper Yukon	637	652	642	66	69	72	10.4	10.6	11.2	571	583	570
Yukon-Koyukuk........	2112	2088	2103	266	204	263	12.6	9.8	12.5	1846	1884	1840
Northern Region	8704	9009	8524	553	505	594	6.4	5.6	7.0	8151	8504	7930
Barrow-North Slope ...	2361	2431	2323	162	137	184	6.9	5.6	7.9	2199	2294	2139
Kobuk..................	2734	2819	2654	204	180	193	7.5	6.4	7.3	2530	2639	2461
Nome	3609	3759	3547	187	188	217	5.2	5.0	6.1	3422	3571	3330
Southeast Region	28826	30064	29308	2747	2379	3182	9.5	7.9	10.9	26079	27685	26126
Angoon	403	397	397	58	31	51	14.4	7.8	12.8	345	366	346
Haines	989	1027	974	109	93	93	11.0	9.1	9.5	880	934	881
Juneau.................	10302	10693	10304	835	643	819	8.1	6.0	7.9	9467	10050	9485
Ketchikan	6048	6203	6303	562	379	807	9.3	6.1	12.8	5486	5824	5496
Outer Ketchikan	822	757	900	176	71	253	21.4	9.4	28.1	646	686	647
Prince of Wales	1355	1460	1383	148	179	174	10.9	12.3	12.6	1207	1281	1209
Sitka	4217	4626	4197	392	566	366	9.3	12.2	8.7	3825	4060	3831
Skagway	1420	1468	1461	145	114	183	10.2	7.8	12.5	1275	1354	1278
Wrangell-Petersburg.............	3270	3433	3389	322	303	436	9.8	8.8	12.9	2948	3130	2953
Southwest Region	9711	10341	9893	676	628	785	7.0	6.1	7.9	9035	9713	9108
Aleutian Islands........	2546	2728	2573	89	87	96	3.5	3.2	3.7	2457	2641	2477
Bethel..................	3155	3349	3280	281	259	383	8.9	7.7	11.7	2874	3090	2897
Bristol Bay Borough ...	351	377	363	27	28	36	7.7	7.4	9.9	324	349	327
Bristol Bay	1297	1373	1304	84	69	81	6.5	5.0	6.2	1213	1304	1223
Kuskokwim	837	896	878	53	54	88	6.3	6.0	10.0	784	842	790
Wade Hampton	1525	1618	1495	142	131	101	9.3	8.1	6.8	1383	1487	1394

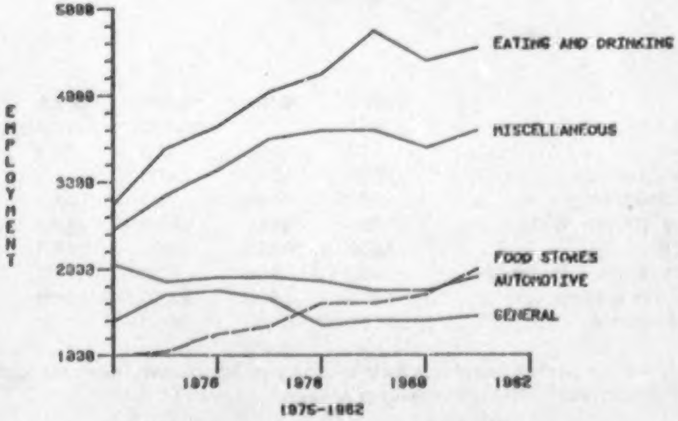
P/=Preliminary 1981 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

trade employment ratios should stabilize. Anchorage ratios are approaching U.S. ratios as the Anchorage economy matures.


ANCHORAGE COMPOSITE NONAG EMPLOYMENT INDEX


RETAIL TRADE EMPLOYMENT BY SECTOR

INTERIOR/FAIRBANKS

By Neal Fried

UNEMPLOYMENT

After many months of decline Fairbanks and the Interior region unemployment rates increased by almost two points reaching 12.6% and 12.2%, respectively. The rates grew largely as a result of seasonal layoffs in the Interior economy. In addition to seasonal factors Fairbanks' labor force has grown. The number of unemployed has more than kept up with increases in labor force employment as a result of an increase in the number of job seekers in the Interior.

NONAGRICULTURAL EMPLOYMENT

After 8 consecutive months of growth Fairbanks nonagricultural wage and salary employment posted the year's first seasonal declines in October. October typically brings the first

---

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

				CHANGES FROM:	
	P/ 10/82	*R/* 9/82	10/81	9/82	10/81
Nonag. Wage & Salary	27050	27750	26450	-700	600
Mining	250	250	250	0	0
Construction	2550	2550	2450	0	100
Manufacturing	550	600	700	-50	-150
Trans. Comm. & Util.	3600	3750	3550	-150	50
Trade	4500	4650	4400	-150	100
Finance-Ins. & R. Estate	900	900	800	0	100
Services & Misc.	4550	4900	4450	-350	100
Government	10150	10150	9850	0	300

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

news of seasonal declines in conjunction with the first snow fall and onset of winter. Employment in all but two industries declined or remained unchanged. Losses were large enough to overwhelm employment gains in finance and government. These seasonal employment declines can be expected to continue for the next 3 to 5 months as the thermometer falls even further. Particularly hard hit will be seasonal industries such as services and construction which create a ripple effect throughout a majority of the remaining industries.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK FAIRBANKS

				CHANGES FROM:	
	P/	R/			
	10/82	9/82	10/81	9/82	10/81
Nonag. Wage & Salary	23450	23850	22700	-400	750
Mining	50	50	50	0	0
Construction	2400	2400	2350	0	50
Manufacturing	500	500	500	0	0
Trans. Comm. & Util.	2750	2800	2650	-50	100
Trucking & Whseing.	400	450	400	-50	0
Air Transportation	700	700	650	0	50
Other Trans. Comm. & Utilities	1650	1650	1600	0	50
Trade	4150	4300	4000	-150	150
Wholesale Trade	700	750	650	-50	50
Retail Trade	3450	3550	3350	-100	100
Gen. Merchandise & Apparel	400	400	400	0	0
Food Stores	600	600	550	0	50
Other Retail Trade	2450	2550	2400	-100	50
Finance-Ins. & R. Estate	850	800	750	50	100
Services & Misc.	4150	4450	4050	-300	100
Government	8600	8550	8350	50	250
Federal	2300	2400	2400	-100	-100
State	3900	3800	3600	100	300
Local	2400	2350	2350	50	50

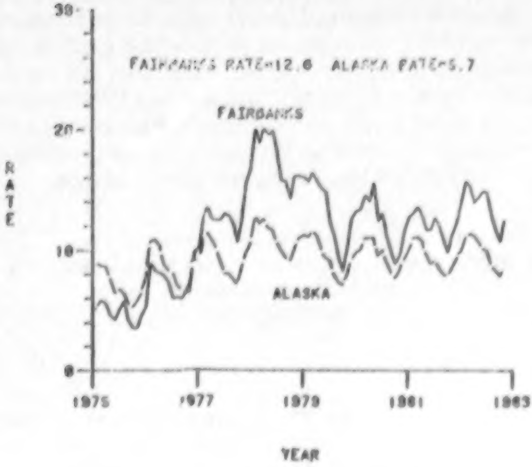
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

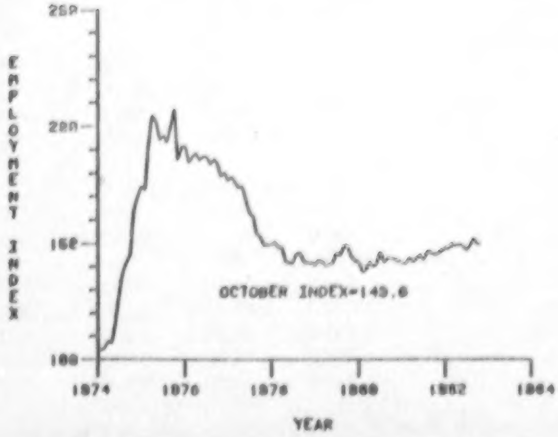
P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

FAIRBANKS AND ALASKA UNEMPLOYMENT RATES



FAIRBANKS COMPOSITE NONAG EMPLOYMENT INDEX



Over the year employment in all but two of Fairbanks' major industries have experienced growth. The overall growth rate continues to be 2 to 3%. Government has made the largest absolute gain increasing by 200 over last year's level. Most of the growth in government has come from employment increases at the University of Alaska. Some growth has occurred in noneducational state government. In the private sector, retail and wholesale trade have made the largest employment gains.

RETAIL TRADE INCREASING

In an informal survey of Fairbanks' major retailers, the overwhelming response was that sales have increased this year; in some cases by as much as 20%. Most retailers did not attribute their increased sales to a growing economy but instead felt it was the result of having increased their share of the market. Retailer's methods of marketing may be the reason individual retailers perceive they are growing more rapidly than others, but because they are all experiencing growth much of it has to be attributed to an improved economy. Growth in the Fairbanks economy has been gradual, not outwardly visible. As a result this response may not be surprising.

Some retailers do a lion's share of their business for the year at this time. Most of the retailers are hiring additional employees to help cover the rush which begins as early as October and lasts through the first week of January. Fairbanks' Christmas season is projected to be vastly different from most of the remainder of the country, where retailers are girding themselves for a very slow season, a reflection of the nation's economy.

GULF COAST

By Neal Fried

KODIAK AND COOK INLET FISHERY DRAGS

Plummeting employment and rising unemployment in October is largely a result of this year's poor shellfish catch in the Gulf Coast. This industry typically loses employment in the late fall and early winter season with the end of the frantic salmon season, but this year's decline has been far more dramatic than most past years. Some have labeled it a disaster while others have said it was par for the course. This industry is not one that can be defined as one that experiences change in a gradual manner, but instead it undergoes frequent, abrupt changes from month-to-month and season-to-season. This year's shellfish catch has fallen far below average catch for the past decade causing employment figures to nose dive.

This decline is best illustrated by the wage and salary figures in food manufacturing (predominantly fish processing) which indicate a decline of more than 1,000 over the year-ago level. Almost all fish processors in the region are operating with far fewer employees than normal for this time of the year. In some cases employment is half of the year-ago level while some processors are not even operating because they are unable to obtain enough product to make it worthwhile to stay open.

The effect this is having on fishermen and their crews does not show up in these figures directly, but the fact that the fishery is depressed means they are spending less. This is beginning to be felt in other industries such as trade and services. Some employers are putting their employees that would normally be working full-time on a part-time basis and in some cases it is resulting in layoffs.

While Kodiak is feeling the decline most dramatically it is also being felt in Cordova, Kenai and other coastal communities in the Gulf Coast region. Both king crab and shrimp fisheries are experiencing the shortfalls. Kodiak feels the brunt of these losses because it s fishery is responsible for approximately 90% of the king crab catch and 70% of the shrimp catch in the region. During the past 6 years more people have been employed by Kodiak's fish processors than are presently employed in the entire region.

Kodiak's king crab catch in October was less than half (3.7 million pounds) 1981's catch (8.7 million pounds) and far below historical catch levels of the past decade. Cook Inlet's king crab fishery, which is substantially smaller than Kodiak's, has also fallen by almost 50%. Kachemak Bay was not even opened this year because earlier surveys showed crab stocks were too low to support a fishery. No one clear reason explains why these stocks are so low. Theories, such as increased predation of young crabs by cod and halibut, disease, or some other environmental change, exist so far.

The condition of the region's other major fishery, shrimp, is as bleak as king crab. Kodiak's shrimp catch thus far (10.8 million pounds) is only 59% of the year ago catch (18.2 million pounds) for the same time period, and far below average catch for this

---

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK GULF COAST

	P/ 10/82	R/ 9/82	10/81	CHANGES FROM: 9/82	10/81
Nonag. Wage & Salary	16450	17600	16750	-1150	-300
Mining	850	900	850	-50	0
Construction	1250	1250	1150	0	100
Manufacturing	2500	3750	3550	-1250	-1050
Food & Kindred Prod.	1650	2900	2700	-1250	-1050
All Other Mfg.	850	850	850	0	0
Trans. Comm. & Util.	1700	1700	1650	0	50
Trade	2550	2600	2300	-50	250
Wholesale Trade	400	400	350	0	50
Retail Trade	2150	2200	1950	-50	200
Finance-Ins. & R. Estate	450	450	450	0	0
Services & Misc.	2600	2600	2500	0	100
Government	4550	4350	4300	200	250
Federal	500	500	500	0	0
State	1450	1450	1350	0	100
Local	2600	2400	2450	200	150

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

decade. Cook Inlet's smaller shrimp fishery is also experiencing a poor year, but it is not as precipitously low as Kodiak's. Reasons for the poor shrimp prospects are better known than the king crab fishery. The poor shrimp harvest is largely attributed to past overexploitation; increased predation may also be an additional cause.

The dungeness crab fishery is also presently taking place in the Gulf Coast region, but it is a far smaller fishery than the former two. Kodiak's harvest thus far has been relatively good while Cook Inlet's has been poor.

The fishing industry is not expecting any reprieve until later this winter (January and February) when the tanner crab season opens. Kodiak is forecasting a good tanner season while Cook Inlet's is expected to be a replay of last year's poor season. Not until then will the region's employment in this industry climb to year-ago levels.

SOUTHEAST ALASKA

By Brit Harvey

JUNEAU TO REMAIN ALASKA'S CAPITAL CITY

Although it obviously did not affect the October figures, Southeast Alaska's employment outlook for the next several years was boosted by the electoral decision to retain the capital in Juneau. Juneau's population and high per capita income are capable of supporting a substantially higher level of local trade and services employment. At least one major department store has announced plans to open a

---

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

				CHANGES FROM:	
	P/	*R/*			
	10/82	**9/82**	**10/81**	**9/82**	**10/81**
Nonag. Wage & Salary	27000	28750	26500	-1750	500
Construction	1700	1800	1600	-100	100
Manufacturing	2450	3250	2650	-800	-200
Food & Kindred Prod.	450	1100	550	-650	-100
Lumber & Paper Prod.	1750	1900	1900	-150	-150
All Other Mfg.	250	250	200	0	50
Trans. Comm. & Util.	2400	2650	2550	-250	-150
Trade	4300	4400	3950	-100	350
Wholesale Trade	350	400	400	-50	-50
Retail Trade	3950	4000	3550	-50	400
Finance-Ins. & R. Estate	1050	1150	1000	-100	50
Mining, Services & Misc.	3900	4350	3800	-450	300
Government	11200	11150	11150	50	50
Federal	2150	2100	2200	50	-50
State	5250	5350	5050	-100	200
Local	3800	3700	3900	100	-100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

Juneau branch, and other retailers are expected. Unless further credible capital move efforts develop quickly, an abrupt increase in Juneau construction employment is likely next spring.

WHITE PASS RAILROAD IDLES SKAGWAY WORKERS

The closing of the White Pass railroad has idled about 200 workers in Skagway. While White Pass is selling tickets for the next tourist season, it is unclear whether the line will be reopened next spring. The Teamsters Union strike of White Pass trucking operations did not occur until October 19, and therefore did not affect employment estimates, which are based on the week containing the 12th of the month. White Pass claims that the Teamsters strike of their trucking division is an attempt to force the reopening of the railroad. White Pass is attempting to truck the 25% of their cargo which remains after the closure of the Cyprus-Anvil mine through Haines.

It is interesting to note the chain of cause and effect which resulted in this blow to Skagway's winter economy. Worldwide recession reduced the demand for batteries, which are a major user of lead and zinc. Reduced demand lowered lead and zinc prices. The lowered prices made the Cyprus-Anvil mining operation unprofitable. The closure of the mine, which provided the majority of the White Pass cargo, triggered the closure of the railroad.

HOURS AND EARNINGS IN SEPTEMBER

By Brit Harvey

Mining hours and earnings data for September show an increase in hourly earnings. This is typical for the month. The decline in weekly hours is more unusual, and may reflect a change in payroll procedures by a large reporting firm.

Construction hourly earnings increased slightly, partly as a result of increases in union electricians' wages which became effective in September. Food and kindred hours and earnings dropped as the salmon season reached an abrupt finish. Overall hourly manufacturing earnings increased, as the proportion of relatively low paid seafood processing employees declined.

Among the remaining industries, average weekly hours and average weekly earnings either decreased or remained stable. This reflects less overtime worked and the first effects of the fall seasonal downturn in the economy.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 9/82	r/ 8/82	9/81	p/ 9/82	r/ 8/82	9/81	p/ 9/82	r/ 8/82	9/81
MINING	$24.86	$21.90	$20.77	47.5	54.7	52.1	$1180.85	$1197.93	$1082.12
CONTRACT CONST.3/	24.14	23.79	23.22	43.1	45.6	43.4	1040.43	1084.82	1007.75
MANUFACTURING	13.03	10.24	12.08	34.4	49.1	34.6	448.23	502.78	417.97
Food & Kindred Prod.	8.35	8.27	8.73	29.8	53.2	30.4	248.83	439.96	265.39
Lumber & Paper Prod.	15.68	15.14	14.34	36.3	39.6	38.1	569.18	599.54	546.35
TRANS., COMM. & UTIL.	15.56	14.95	14.03	37.1	40.3	39.3	577.28	602.49	551.38
TRADE	9.88	9.88	9.52	35.1	35.7	33.8	346.79	352.72	321.78
Wholesale Trade	11.80	11.75	12.11	37.6	40.2	36.5	443.68	472.35	442.02
Retail Trade	9.08	9.04	8.50	34.1	34.0	32.9	309.63	307.36	279.65
FINANCE, INS. & R.E.	--	--	--	--	--	--	349.06	362.36	330.38

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

S0320-1

ALASKA ECONOMIC TRENDS

Bill Sheffield, Governor
State of Alaska

Jim Robison, Commissioner
Department of Labor

John E. Post, Director
Administrative Services

Chuck Caldwell, Chief
Research and Analysis

Chris Miller, Editor

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

January 1983
Volume 3
Issue 1

ALASKA ECONOMIC TRENDS is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

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THE PETROLEUM INDUSTRY- ALASKA COMPARED TO OTHER STATES

By Brit Harvey

Seven tables are presented which compare various aspects of the Alaska petroleum industry to other major producing states.1/ As revealed by these data, the Alaska industry does not conform to the lower-48 norm. The primary causes of this dissimilarity are the following:

1. The pattern of land ownership in Alaska differs from that of other major producing states. Alaska's oil lies almost entirely below land or waters owned by governments. Lower-48 states are typified by diverse ownership and resulting royalty payments. Government lease sales are the dominant means to secure exploratory acreage in Alaska, whereas lower-48 exploration frequently involves complicated negotiation with multiple landowners.

2. Alaska production occurs exclusively in difficult drilling areas, where costs are high. Exploration in Alaska requires large capital expenditures, longer lead times, and expensive, frontier technology.

3. Alaska production is dominated by Prudhoe Bay, the largest petroleum accumulation discovered in North America. Alaska is considered the most likely state in which to find further large fields.

4. Alaska's oil industry is composed almost entirely of large corporations. Other states' oil industries are a combination of large multi-national corporations, smaller independents, and individual wildcatters operating in a variety of niches within the industry.

5. Alaska is primarily a producing and transporting state, with only relatively minor refining and wholesale or retail trade.

1/ All tables are from *The Oil Industry in Your State-1982,* by the Independent Petroleum Association of America.

Rotary Rigs Active 1972-1981

Rank 1981		72	73	74	75	76	77	78	79	80	81
1	Texas	325	376	508	637	653	779	855	770	987	1317
2	Oklahoma	91	115	146	178	186	233	258	245	397	698
3	Louisiana	216	205	203	227	231	292	388	347	427	456
4	Kansas	25	28	44	57	51	68	76	63	120	197
19	Alaska	5	5	9	14	14	15	16	14	14	22

Total Wells Drilled 1972-1981

Rank 1981		72	73	74	75	76	77	78	79	80	81
1	Texas	8088	8494	9808	12483	12740	14759	15037	16149	19253	23940
2	Oklahoma	2519	2403	3189	3796	4393	4976	5859	6362	9073	11329
3	Kansas	2458	2114	2825	3398	3977	3933	4322	4306	5161	6865
4	Louisiana	3093	2940	2830	3098	3476	3398	3767	4078	4956	5575
26	Alaska	31	35	38	67	81	72	75	73	134	141

Note: Includes wells in state waters, does not include wells in federal waters.

Crude Oil Production 1972-1981
(Thousands of barrels daily)

Rank 1981		72	73	74	75	76	77	78	79	80	81
1	Texas	3556	3547	3457	3347	3250	3117	2942	2789	2670	2607
2	Alaska	199	198	193	191	173	463	1229	1400	1616	1609
3	Louisiana	2436	2278	2020	1783	1657	1542	1459	1341	1281	1236
4	California	948	920	885	882	890	957	951	965	976	1054
5	Oklahoma	567	523	487	446	441	428	412	393	410	422

1981 Estimated Average Petroleum Industry Employment

1981 Rank		Total	Extraction	Trade Wholesale	 Retail
1	Texas	421622	278896	26724	36279
2	California	153658	37969	16469	61405
3	Louisiana	134770	94721	6588	9438
4	Oklahoma	121990	92100	7900	5200
40	Alaska	8467	7064	307	835

Note: Total includes extraction, refining, transportation, and trade employment.

State and Local Severence Taxes Paid by Petroleum Industry in 1981

Rank		Taxes Paid	Per Capita
1	Texas	$2,204,602,015	$149
2	Alaska	1,170,090,000	2,840
3	Louisiana	803,146,950	186
4	Oklahoma	601,846,204	194
5	Mexico	369,331,199	278

Geophysical Crew Months Worked
1972-1981

Rank 1981		72	73	74	75	76	77	78	79	80	81
1	Texas	606	686	989	929	942	722	1095	1213	1438	1745
2	Louisiana	388	315	357	377	347	318	560	665	654	501
3	Montana	73	62	155	40	85	57	155	135	202	388
4	Wyoming	126	264	363	353	239	183	211	366	274	317
13	Alaska	84	64	184	176	129	34	16	30	37	82

Note: Due to long summer daylight hours, crews are more productive per month worked in Alaska.

Estimated Cost of Drilling and Equiping Wells, 1980

	Well Depth	Cost/Well	Cost/Foot
Alaska			
Onshore	10,415 Ft.	$3,862,092	$370.80
Offshore (State Waters)	12,000	2,334,000	194.50
Offshore (Federal Waters)	10,427	3,851,406	369.38
Louisiana	6,565	1,041,498	158.65
Texas	5,349	376,527	70.39
Oklahoma	4,774	326,746	68.44
Gulf of Mexico (Federal Waters)	11,031	4,652,969	421.80
Total U.S. Average, Onshore and Offshore	4,774	367,682	77.02

ALASKA

By Brit Harvey

OIL DEMAND AND ECONOMIC ACTIVITY

One of the "givens" of economics during the 1960's was the correlation between economic growth and increasing energy consumption. In the U.S., a 1% increase in GNP required about a 1.2% increase in energy consumption. This link was broken during the 1970's, a victim of the structural economic changes generated by the oil price shocks of 1973 and 1979. The emergence of a world economy using energy in an increasingly efficient manner has two major implications for Alaska. In the short-run, even a robust version of the world economic recovery widely forecast for 1983 is very unlikely to boost oil prices. In the long-run, continuing structural changes are likely to stabilize or diminish demand for oil, putting downward pressure on Alaska oil revenues.

Oil consumption patterns have undergone a remarkable transition in the past decade. The noncommunist world demand for oil was lower in 1981 than 1973,1/ despite nonindustrialized countries more than doubling their demand. U.S. demand during this period showed a 7.9% absolute and 15.0% per capita decline. Even more important is the declining consumption of oil per unit of GNP. In the U.S. in 1973, 59 BTU's were consumed per dollar of GNP. In 1981 the figure was 47 BTU's.2/ During this period the seven largest noncommunist industrial countries averaged a 4.1% annual decrease in oil consumed per unit of gross product.3/ Few analysts expect the deep-rooted forces behind these statistics to be affected by short-term fluctuations in oil prices.

During the past year, the sluggish demand for oil has frequently been attributed to the world recession. It appears unlikely however, that a recovery will boost oil prices. Substantial idle production capacity currently exists in OPEC countries, particularly Saudi Arabia. A robust recovery is more likely to delay or avert further price decreases than to push prices up. Data

1/ *Petroleum Economist:* September 1982; p. 354.
2/ *Business Week:* November 8, 1982; p.39.
3/ *Petroleum Economist:* October 1982; p. 411.

Resources Inc. predicts 3% U.S. GNP growth in 1983 with no change in oil consumption. An analysis in *The Petroleum Economist* argues that a recovery of economic activity in OECD countries, "almost certainly will not result in a corresponding upturn in oil consumption".4/ Standard Oil of California's latest forecast calls for a 0.8% annual increase in oil consumption through 2000, with rapid internal consumption growth in OPEC countries included. This forecast may well be an upper bound, considering the track record of industry forecasts.

The scenario suggested by these demand data and the current supply situation (See December 1982 *Trends,* p.3), is short-term oil price declines, with small mitigation provided by an economic recovery, should one occur. In the longer view, which includes Prudhoe Bay's most bountiful years, world oil demand is unlikely to exceed current supply capacity. While this does not insure flat or declining prices, the influence of demand on prices is likely to be downward.

NONAGRICULTURAL EMPLOYMENT

Alaska nonagricultural wage and salary employment declined in November by 2.2% to 188,600. Compared to November 1981, employment is up 5.4%. Seasonally adjusted, November employment increased slightly, indicating that Alaska's economic growth is continuing, although at a slower pace than last year.

The most striking change in industry employment occurred in seafood processing, which dropped 45% from October to 1,600 jobs. This is less than half of the average employment in this industry over the past eight years. The collapse of the king crab fishery is the main cause of this employment drop. In Dutch Harbor, landings through November 7 were about 7% of last year, and last year was not a good one. The highly ephemeral crab resource is now bankrupting some of the same people it made rich in the 1970's.

While the seafood processing employment decline is recent, the forest products industry has been depressed for at least 18 months. The industry had apparently hit bottom, with employment stabilizing at a low level. However, the announcement of severe financial difficulties at Alaska Lumber and Pulp pro-

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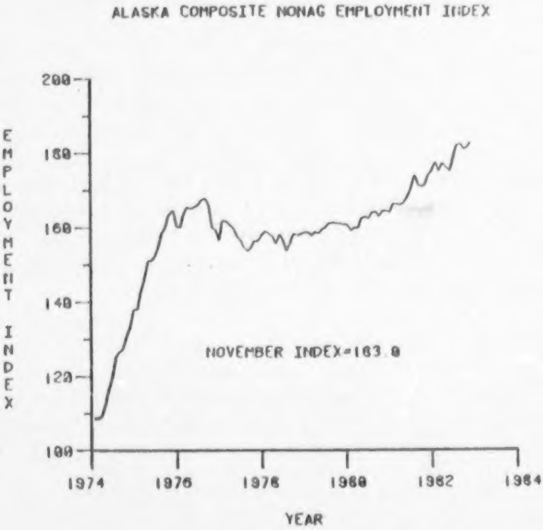
4/ *Petroleum Economist:* September 1982; p. 354.

mises to further diminish employment. Both ALP and Louisiana Pacific-Ketchikan produce dissolving pulp used for manufacturing synthetic materials. Should oil, which substitutes for dissolving pulp, drop in price, the demand for southeast pulp is likely to further decline. While both the yen and Japanese housing starts have strengthened slightly, it appears that lack of demand may further cripple the Alaska forest products industry. Long-term contraction and permanent market share loss are distinct possibilities.

The secondary industries continued to expand on a seasonally adjusted basis. Trade showed an outright 0.9% increase over the month, while transportation, communication and utilities remained stable, and finance, insurance and real estate, and services declined only slightly. The strength in the secondary industries is partially the result of permanent fund dividend money entering the economy.

UNEMPLOYMENT

The Alaska November unemployment rate was 9.8%, up from 8.6% in October. The 9.8% rate compares to 8.4% a year ago. The increase in November was about what would be expected,



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

				CHANGES FROM:	
	P/	*R/*			
	11/82	**10/82**	**11/81**	**10/82**	**11/81**
Nonag. Wage & Salary	188600	192800	179000	-4200	9600
Mining	7800	7900	7600	-100	200
Construction	14800	17700	13400	-2900	1400
Manufacturing	7000	8800	8900	-1800	-1900
Food & Kindred Prod.	2000	3300	3900	-1300	-1900
Lumber & Paper Prod.	2200	2300	2200	-100	0
All Other Mfg.	2800	3200	2800	-400	0
Trans. Comm. & Util.	18400	18400	17600	0	800
Trucking & Wheeing.	2100	1900	2100	200	0
Water Transportation	1600	1500	1200	100	400
Air Transportation	5400	5500	5400	-100	0
Other Transportation Comm. & Utilities	9300	9500	8900	-200	400
Trade	35100	34800	32000	300	3100
Wholesale Trade	6800	6900	6300	-100	500
Retail Trade	28300	27900	25700	400	2600
Gen. Merchandise & Apparel	4600	4600	4100	0	500
Food Stores	4900	5000	4500	-100	400
Eating & Drinking Places	9700	9500	9000	200	700
Other Retail Trade	9100	8800	8100	300	1000
Finance-Ins. & R. Estate	9300	9400	8800	-100	500
Services & Misc.	33800	33500	31700	300	2100
Government	62400	62300	59000	100	3400
Federal Government	17900	17800	17600	100	300
State Government	18000	18300	17100	-300	900
Local Government	26500	26200	24300	300	2200

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

considering past years and the slight seasonally adjusted employment growth during November.

Alaska's unemployment rate is not seasonally adjusted. The U.S. not seasonally adjusted unemployment rate was 10.4%. The Alaska rate is still below the national rate, but as winter approaches the gap is narrowing.

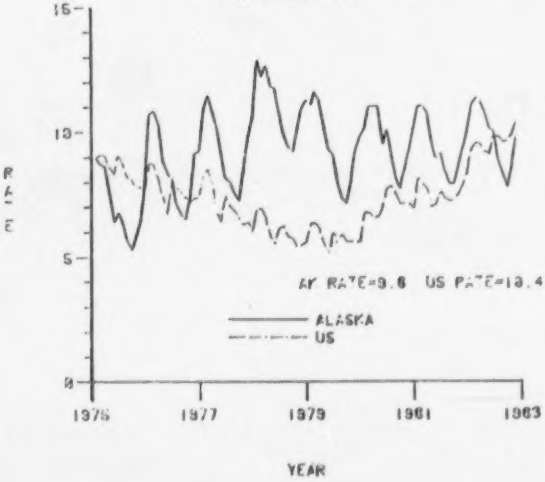
The continuing national recession and the fact that unemployment has historically responded slowly to economic recoveries have convinced most economists that unemployment will remain above 10.0% nationally through 1983. This high unemployment rate is likely to result in another year of high in-migration to Alaska.

Unemployed persons who exhaust their unemployment benefits are particularly likely to migrate. As high unemployment continues, this "exhaustee" category will increase. Alaskans can probably count on another year of in-migration, low vacancy rates, and expanding population. Once again, it appears unlikely that economic growth in the state will reduce the unemployment rate. A higher rate than 1982 is a strong possibility.

ALASKA AND US UNEMPLOYMENT RATE

NOT SEASONALLY ADJUSTED

November 1982



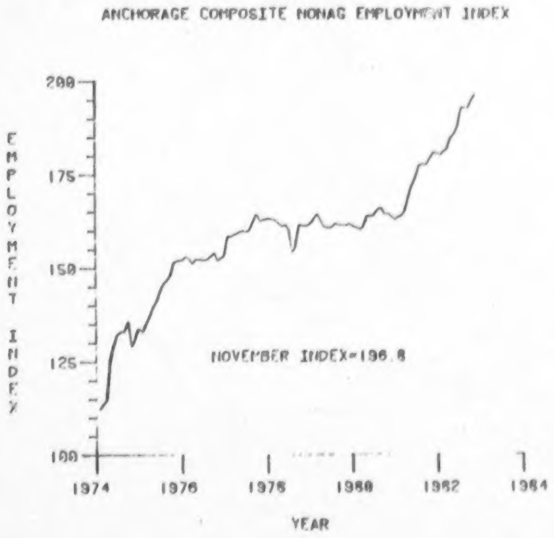
ANCHORAGE-MATSU

By Greg Huff

LABOR FORCE

November's unemployment rate for the Anchorage-MatSu region advanced nearly a percentage point to 7.8%. This "jobless" rate increase was due primarily to seasonal layoffs in the construction and transportation industries, bringing the total number of unemployed in the region to 8175.

In comparison, the Anchorage-MatSu rate was two percentage points below the statewide rate and three percentage points below the U.S. average rate. The number of unemployed in the region accounted for 42% of the total number of jobless statewide, but the region represented 54% of total employment across the state, pointing to the region's (particularly Anchorage's) more stable, less seasonal economy.



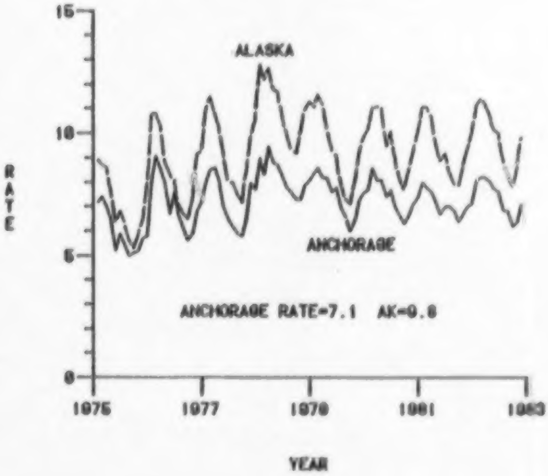
The outlook for the next several months is for a climbing unemployment rate. The labor force historically declines over the next few months as some unemployed workers leave the state or become discouraged and drop out. Others will continue looking for work, adding to unemployment.

NONAGRICULTURAL EMPLOYMENT

Anchorage nonagricultural wage and salary employment in November declined 1.5% (1,400) accounting for one third of the total statewide drop. In contrast, Anchorage wage and salary employment made up 59% of total statewide employment while having 44% of the state's population. During the winter months the Anchorage economy supports a larger proportion of employment statewide than in the summer, due to a higher concentration of less seasonally sensitive support industries.

Construction, a major industry with wide seasonal fluctuations, accounted for nearly 90% of the decline in Anchorage wage and salary employment in November. Construction employment remained significantly above last year's levels with 950 more jobs, and is expected to remain strong through 1983.

ANCHORAGE AND ALASKA UNEMPLOYMENT RATES
November 1982



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/	R/		CHANGES FROM:	
	11/82	**10/82**	**11/81**	**10/82**	**11/81**
Nonag. Wage & Salary	95050	96450	87450	-1400	7600
Mining	3350	3350	3250	0	100
Construction	8550	9800	7600	-1250	950
Manufacturing	2050	2250	1850	-200	200
Food & Kindred Prod.	350	350	300	0	50
Other Mfg.	1700	1900	1550	-200	150
Trans. Comm. & Util.	9250	9500	8550	-250	700
Trucking & Whseing.	1200	1250	1150	-50	50
Water Transportation	450	500	450	-50	0
Air Transportation	3300	3350	3050	-50	250
Other Transportation Comm. & Utilities	4300	4400	3900	-100	400
Trade	21100	21100	18900	0	2200
Wholesale Trade	4750	4850	4550	-100	200
Retail Trade	16350	16250	14350	100	2000
Gen. Merchandise	2050	1950	2050	100	0
Food Stores	2450	2450	2150	0	300
Eating & Drinking Places	5700	5800	4800	-100	900
Other Retail Trade	6150	6050	5350	100	800
Finance-Ins. & R. Estate	6450	6450	5950	0	500
Services & Misc.	19100	18900	17850	200	1250
Government	25200	25100	23500	100	1700
Federal	10000	9950	9800	50	200
State	6450	6450	5900	0	550
Local	8750	8700	7800	50	950

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

However, no additional growth is foreseen.

The other industries netting employment declines were manufacturing and transportation, communications and utilities. Seasonal slowdowns in the sand and gravel industry and durables related to construction represented the bulk of the layoffs in manufacturing. The water and air transportation sectors registered the largest decline because of mixed seasonal and economic factors. While wholesale trade and eating and drinking establishments had employment declines, general merchandise and retail variety shops increased holiday employment to balance the declines.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK ANCHORAGE-MATSU

	P/	R/		CHANGES FROM:	
	11/82	**10/82**	**11/81**	**10/82**	**11/81**
Nonag. Wage & Salary......	98750	100300	90950	-1550	7800
Mining	3400	3450	3300	-50	100
Construction	8850	10200	7900	-1350	950
Manufacturing	2100	2300	1950	-200	150
Trans. Comm. & Util.	9550	9750	8950	-200	600
Trade	21900	21850	19600	50	2300
Finance-Ins. & R. Estate ..	6550	6550	6000	0	550
Services & Misc.	19550	19400	18250	150	1300
Government	26850	26800	25000	50	1850

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 11/82	R 10/82	11/81	P 11/82	R 10/82	11/81	P 11/82	R 10/82	11/81	P 11/82	R 10/82	11/81
Alaska Statewide	198722	201280	193575	19549	17349	18268	9.8	8.6	9.4	179173	183931	175307
Anch.-MatSu Region	104614	105529	99058	8175	7322	7489	7.8	6.9	7.6	96439	98207	91569
Anchorage	94237	95211	89358	6735	6105	6275	7.1	6.4	7.0	87502	89106	83083
Matanuska-Susitna	10377	10318	9700	1440	1217	1214	13.9	11.8	12.5	8937	9101	8486
Gulf Coast Region	20987	21882	21445	3148	2785	2823	15.0	12.7	13.2	17839	19097	18622
Cordova	1066	1121	1133	111	99	136	10.4	8.8	12.0	955	1022	997
Kenai	10852	11380	11020	1763	1650	1532	16.2	14.5	13.9	9089	9730	9488
Kodiak	4783	4854	4872	710	493	620	14.8	10.2	12.7	4073	4361	4252
Seward	1539	1656	1595	267	294	267	17.3	17.8	16.7	1272	1362	1328
Valdez	2747	2871	2825	297	249	268	10.8	8.7	9.5	2450	2622	2557
Interior Region	26543	26845	25564	3858	3267	3160	14.5	12.2	12.4	22685	23578	22404
Fairbanks	21715	21965	20836	3225	2748	2575	14.9	12.5	12.4	18490	19217	18261
Southeast Fairbanks	2073	2115	2060	218	187	228	10.5	8.8	11.1	1855	1928	1832
Upper Yukon	637	641	619	84	66	73	13.2	10.3	11.8	553	575	546
Yukon-Koyukuk	2118	2124	2049	331	266	284	15.6	12.5	13.9	1787	1858	1765
Northern Region	8921	8860	8683	622	560	616	7.0	6.3	7.1	8299	8300	8067
Barrow-North Slope	2395	2403	2337	156	164	161	6.5	6.8	6.9	2239	2239	2176
Kobuk	2796	2782	2709	221	206	206	7.9	7.4	7.6	2575	2576	2503
Nome	3730	3675	3637	245	190	249	6.6	5.2	6.8	3485	3485	3388
Southeast Region	28348	28675	28707	3059	2742	3238	10.8	9.6	11.3	25289	25933	25469
Angoon	374	401	383	39	58	46	10.4	14.5	12.0	335	343	337
Haines	977	984	964	124	109	105	12.7	11.1	10.9	853	875	859
Juneau	10038	10246	10069	859	832	823	8.6	8.1	8.2	9179	9414	9246
Ketchikan	5966	6017	6161	646	562	803	10.8	9.3	13.0	5320	5455	5358
Outer Ketchikan	828	819	817	201	176	186	24.3	21.5	22.8	627	643	631
Prince of Wales	1373	1348	1349	203	148	171	14.8	11.0	12.7	1170	1200	1178
Sitka	4095	4194	4144	386	391	409	9.4	9.3	9.9	3709	3803	3735
Skagway	1440	1413	1461	203	145	215	14.1	10.3	14.7	1237	1268	1246
Wrangell-Petersburg	3257	3253	3359	398	321	480	12.2	9.9	14.3	2859	2932	2879
Southwest Region	9309	9489	10118	687	673	942	7.4	7.1	9.3	8622	8816	9176
Aleutian Islands	2466	2485	2623	121	88	128	4.9	3.5	4.9	2345	2397	2495
Bethel	2984	3085	3336	241	280	417	8.1	9.1	12.5	2743	2805	2919
Bristol Bay Borough	335	343	364	26	27	35	7.8	7.9	9.6	309	316	329
Bristol Bay	1240	1268	1333	82	84	101	6.6	6.6	7.6	1158	1184	1232
Kuskokwim	815	818	933	67	53	137	8.2	6.5	14.7	748	765	796
Wade Hampton	1469	1490	1529	150	141	124	10.2	9.5	8.1	1319	1349	1405

P/=Preliminary 1981 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

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INTERIOR/FAIRBANKS

By Neal Fried

INTERIOR'S RURAL ECONOMY

STATISTICS

The Interior region stretches as far north as Arctic Village, as far south as Northway, and on the west and east it is bordered by Kaltag and Canada. Labor force statistics are broken out monthly for the census divisions (1970 definition) of Southeast Fairbanks, Upper Yukon, and Yukon-Koyukuk, which along with Fairbanks make up the Interior region. Regional statistic's however provide little insight into the dynamics of these rural areas' economies. Monthly wage and salary statistics are published for Fairbanks and the Interior but the Interior's numbers are dominated by Fairbanks.

Periodically wage and salary statistics are also produced for Southeast Fairbanks, Upper Yukon, and Yukon Koyukuk (found in the *Statistical Quarterly*). There is a lag time in this data but it is the only information that provides an industry and payroll breakdown for rural Interior.

EMPLOYMENT

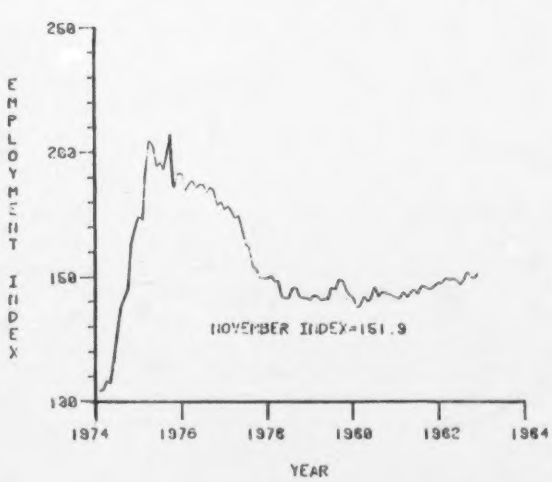
Wage and salary employment is scarce in all three rural divisions. All three depend heavily on government as a source of employment. Both Southeast Fairbanks and Upper Yukon depend on government for as much as 70% of direct employment and Yukon-Koyukuk for 38%. This compares to 32% for the state as a whole.

None of these rural divisions have very well developed secondary sectors, largely as a result of their small population, causing them to depend on larger areas such as Fairbanks for many of their goods and services. Southeast Fairbanks and Yukon-Koyukuk do have one industry in the secondary sector that is well developed—the service industry. This is because both of these divisions have highways bisecting parts of them (Richardson and Parks highways), and many of their inhabitants depend on the traffic for their livelihoods in the form of service stations, motels, retail sales and other recreation facilities.

This is very seasonal work (summer) and it is reflected in rural Interior's statistics. Employment in some of these divisions can fluctuate as much as 40% in one year, from the high summer quarter to the low winter quarter. This is also reflected in their labor force statistics. Unemployment in the small Upper Yukon division can go as high as 21% in the winter and drop to 10% in August or September. All three areas have unemployment rates that exceed the state's average. The average unemployment rate for the first 11 months of 1982 for Upper Yukon, Yukon Koyukuk and Southeast Fairbanks has been, 13.7%, 13.5% and 11.6%, respectively. Alaska's and Fairbanks were 9.8% and 13.8% for the same period.

Some employment that takes place in these areas is not always recorded by these statistics because wages are not paid in the customary fashion. The two groups particularly affected are the small mining operators who are often self-employed and pay their help a percentage of the take and trappers who are compensated on a piece basis.

FAIRBANKS COMPOSITE NONAG EMPLOYMENT INDEX

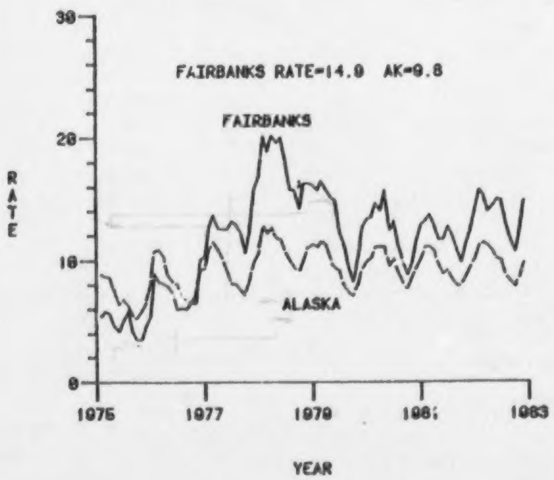


The employment which does exist in these areas is in most cases concentrated in a few communities. For example, in Southeast Fairbanks, (represented by 11 communities) 75% of the employment exists in the Delta area and most of the remainder is in Tok. In Upper Yukon, (which represents 12 communities), a full 80% of the employment in the division is concentrated in Fort Yukon—the regional center for the Yukon flats area. The Yukon-Koyukuk division's employment was more evenly distributed, with the large centers being Nenana and Galena. This concentration appears to be a trend as more population moves to these regional centers. For example, over the past decade, Fort Yukon's population has grown by more than 38% (compared to the state's 25%) whereas the smaller communities in the Yukon Flats areas such as Chalkyitsik, Birch Creek and other communities have only grown very slowly and in some cases have actually lost population.

PRESENT TRENDS

With the exception of the pipeline years, when employment in some of these divisions doubled and quadrupled in one year (temporarily), employment has grown very slowly but in most cases steadily. Unlike Fairbanks, most of these communities

FAIRBANKS AND ALASKA UNEMPLOYMENT RATES
November 1982



get very little direct stimulus from North Slope activity. There are oil pump stations, which employ people in both Southeast Fairbanks and Yukon-Koyukuk, but employment in these facilities has been fairly stable since they were completed in 1977. Most of the stimulus has come from state government in the form of additional services, direct appropriations to local communities and capital projects such as school construction, community centers and roads, etc. Other special projects

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NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

				CHANGES FROM:	
	P/ **11/82**	*R/* **10/82**	**11/81**	**10/82**	**11/81**
Nonag. Wage & Salary	22550	23350	21950	-800	600
Mining	50	50	50	0	0
Construction	1750	2400	1850	-650	-100
Manufacturing	450	500	450	-50	0
Trans. Comm. & Util.	2650	2750	2600	-100	50
Trucking & Wheeing.	400	400	400	0	0
Air Transportation	650	700	650	-50	0
Other Trans. Comm. & Utilities	1600	1650	1550	-50	50
Trade	4100	4100	4050	0	50
Wholesale Trade	700	700	650	0	50
Retail Trade	3400	3400	3400	0	0
Gen. Merchandise & Apparel	400	400	450	0	-50
Food Stores	600	550	600	50	0
Other Retail Trade	2400	2450	2350	-50	50
Finance-Ins. & R. Estate	850	850	750	0	100
Services & Misc.	4050	4150	3850	-100	200
Government	8650	8550	8350	100	300
Federal	2450	2300	2400	150	50
State	3850	3900	3600	-50	250
Local	2350	2350	2350	0	0

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

such as the Delta agricultural project have added to this economic activity. Over the past 3 years an upswing in gold mining activity has also endured as the price of gold remains historically high. Old stand-bys such as the military (Fort Greely, Anderson, Galena, Indian Mountain and Campion) provide an important share of the job opportunities in the rural Interior. Increased traffic on the Richardson highway over the past 2 years has allowed the businesses that cater to the tourist and new in-migrants to expand their operations.

The trend of slow growth in the rural Interior is not expected to change in the near future. Employment will remain scarce, and unemployment will stay far above the state's average. These communities' economies are small and often isolated, and employment opportunities veer with the seasons. This is the nature of many of Alaska's smaller communities, regardless of their economic base—whether it is fishing, mining, tourism or construction. A small, isolated community, with little economic base, cannot generate enough economic activity to provide very much full-time employment for a large proportion of its population on a year-round basis.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

				CHANGES FROM:	
	P/ 11/82	*R/* 10/82	11/81	10/82	11/81
Nonag. Wage & Salary......	26350	27200	25250	-850	1100
Mining	250	250	200	0	50
Construction	2000	2550	1950	-550	50
Manufacturing	550	550	650	0	-100
Trans. Comm. & Util.	3550	3600	3550	-50	200
Trade	4400	4500	4250	-100	150
Finance-Ins. & R. Estate ..	900	900	800	0	100
Services & Misc.	4450	4600	4250	-150	200
Government	10250	10250	9800	0	450

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

GULF COAST

By Neal Fried

LABOR FORCE

With an unemployment rate of 15%, the Gulf Coast holds the distinction for the second month in a row of having the highest regional unemployment rate in the state. A rising jobless rate is typical at this time of the year, but its magnitude comes largely as a result of this year's terrible king crab and shrimp season.

WAGE AND SALARY EMPLOYMENT

Though the region's overall employment statistics are reeling from the poor fishing season, other sectors in the Gulf Coast's economy are holding up, and in most cases remain above year-ago levels. There are a variety of reasons why there has not been a rippling effect throughout the economy thus far. A number of communities in the region do not depend on the fishing industry as a major source of employment. Projects, independent of this industry, are taking place and helping to pick up some of the slack. These include port expansion in Homer and Seward, the Terror Lake Dam project in Kodiak, and a pickup in residential construction in some areas. Trade and government employment are showing particular strength compared to year-ago levels, both chalking up employment gains of 250 and 200, respectively. Transportation, services and construction have made some modest gains. This has all helped to mitigate the losses of the fishing season, though it is little solace to the fishermen, cannery workers and others attached to the industry.

Communities heavily dependent on the industry, such as Cordova and particularly Kodiak, have been experiencing the rippling effects throughout their economies. Layoffs in the trade and services industries have occurred as a result, and some workers have had to migrate elsewhere in the state to find work.

THE COPPER RIVER BASIN

There is a group of communities in the Gulf Coast region which remains almost completely unaffected by the fishing industry. These communities have little in common with the region's coastal towns and more in common with the Interior. It is a sparsely populated area of 11 communities in the Copper River Basin, stretching north to Mentasta Lake and south to McCarthy. They can be found along the Tok Cutoff, the Glenn, Richardson, Edgerton and McCarthy highways.

The employment found in these communities represents 6% of the total region's employment and 37% of the Valdez-Chitina-Whittier census division. A large share of their employment,

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NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	R/			
	11/82	10/82	11/81	10/82	11/81
Nonag. Wage & Salary	15500	16550	15800	-1050	-300
Mining	900	850	900	50	0
Construction	1050	1200	950	-150	100
Manufacturing	1700	2650	2700	-950	-1000
Food & Kindred Prod.	900	1800	1900	-900	-1000
All Other Mfg.	800	850	800	-50	0
Trans. Comm. & Util.	1750	1700	1650	50	100
Trade	2550	2550	2300	0	250
Wholesale Trade	400	400	350	0	50
Retail Trade	2150	2150	1950	0	200
Finance-Ins. & R. Estate	450	450	450	0	0
Services & Misc.	2550	2600	2500	-50	50
Government	4550	4550	4350	0	200
Federal	500	500	500	0	0
State	1400	1450	1350	-50	50
Local	2650	2600	2500	50	150

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

generated by catering to the traffic exiting and entering Alaska is in the form of restaurants, gas stations, motels and retail trade. Government is also a major source of employment. Other major employers are the Ahtna Native Corporation and Alyeska Pipeline Service's two oil pump stations. Glennallen, the area's largest community, has grown rapidly over the past decade (41% compared to the state's 25%). Glennallen is the area's major service center and hub for the highway traffic. The remaining communities have grown very slowly. The communities are small (100 and fewer inhabitants in all cases but Copper Center), have little economic infrastructure and therefore provide few employment opportunities. Employment is often limited to the few jobs found in the local schools and summer employment on local road construction, some fire-fighting, some fishing and mining and some employment catering to the highway traffic. This trend of slow employment growth will continue in these communities in the near future.

SOUTHEAST

By Brit Harvey

Southeast nonagricultural wage and salary employment was 26,150 in November. This represents a 2.4% decrease from October, about the same as occurred statewide. Compared to last year, November employment was up by 1.6%, a growth rate less than one-third that of the state as a whole.

The Southeast forest products industry accounts for more than 75% of statewide forest products employment, and historically about 10% of Southeast nonagricultural employment. The prolonged contraction of the forest products industry, both nationally and in Alaska, is therefore affecting Southeast far more than any other region in the state. The seriousness of what is probably best characterized as a depression in the Southeast timber industry was emphasized by the recent announcement of severe financial problems at Alaska Lumber and Pulp (ALP). ALP closed its new Wrangell cant mill, and there is a clear possibility that the intermittent closures which have been occurring over the past year at ALP's Sitka pulp mill may become more permanent.

The other important Southeast manufacturing industry, seafood processing, is also doing poorly. November is always a low employment month in this industry in Southeast, so the effect on overall employment is minor.

Construction declined over the month by 300 jobs, leaving it at the same level as last year.

The only industry showing an increase over the month was local government, with the increase due mostly to school employment.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	11/82	10/82	11/81	10/82	11/81
Nonag. Wage & Salary......	26150	26800	25750	-650	400
Construction	1300	1600	1300	-300	0
Manufacturing	2300	2500	2500	-200	-200
Food & Kindred Prod.....	350	500	500	-150	-150
Lumber & Paper Prod....	1700	1750	1750	-50	-50
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Util.	2250	2300	2500	-50	-250
Trade	4200	4200	3950	0	250
Wholesale Trade	350	350	400	0	-50
Retail Trade..............	3850	3850	3550	0	300
Finance-Ins. & R. Estate ..	1050	1050	1000	0	50
Mining, Services & Misc...........	3750	3900	3400	-150	350
Government	11300	11250	11100	50	200
Federal	2150	2150	2250	0	-100
State	5200	5250	4900	-50	300
Local.................	3950	3850	3950	100	0

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

HOURS AND EARNINGS IN OCTOBER

By Stephen Deschermeier

In mining (n=21 1/) average hourly earnings decreased by 5% from September, while average weekly hours increased 6%. A reduction of summer temporary hires in the oil and gas industries accounted for most of the change.

In contract construction (n=114) average weekly hours rose 4% while average hourly earnings showed no change for October. The startup of a new job in non-residential building and an increase in overtime hours in heavy construction were responsible for most of the change.

Manufacturing (n=60) as a whole showed no significant change, but food and kindred products (n=23) and lumber and paper products (n=20) departed sharply from September's statistics.

Average weekly hours and average weekly earnings plummeted 20% and 21%, respectively, for food and kindred products. The end of the salmon season for canneries caused the difference.

Lumber and paper products exhibited a somewhat different trend. Average weekly earnings remained the same for October, but average hourly earnings decreased 14% and average weekly hours increased 20%. Construction activity rather than logging for some companies resulted in lower wages for their employees while cleanups and restartups caused increased overtime at many sawmills.

Transportation, communication, and utilities (n=60) registered slight gains in average weekly hours (5%) and average weekly earnings (4%) in October. Increased earnings and hours among major utilities and airport service companies were largely responsible, although decreased hours and earnings in the trucking industry lowered the effect somewhat.

1/ Sample size.

ALASKA HOURS AND EARNINGS FOR SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 10/82	r/ 9/82	10/81	p/ 10/82	r/ 9/82	10/81	p/ 10/82	r/ 9/82	10/81
MINING	$23.71	$24.86	$20.27	50.3	47.5	49.5	$1192.61	$1180.85	$1003.37
CONTRACT CONST.3/	24.03	24.14	22.01	44.7	43.1	44.8	1074.14	1040.43	986.05
MANUFACTURING	13.16	13.03	12.73	33.6	34.4	38.3	442.18	448.23	487.56
Food & Kindred Prod.	8.26	8.35	8.93	23.8	29.8	33.1	196.59	248.83	295.58
Lumber & Paper Prod.	13.46	15.68	14.81	43.7	36.3	44.3	588.20	569.18	656.08
TRANS., COMM. & UTIL.	15.29	15.56	14.55	39.1	37.1	37.9	597.84	577.28	551.45
TRADE	9.80	9.88	9.40	35.4	35.1	34.4	346.92	346.79	323.36
Wholesale Trade	11.65	11.80	11.71	37.9	37.6	37.2	441.54	443.68	435.61
Retail Trade	9.04	9.08	8.47	34.4	34.1	33.5	310.98	309.63	283.75
FINANCE, INS. & R.E.	--	--	--	--	--	--	333.19	349.06	329.53

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

There were no significant (ie ± 3%) changes in trade (n=136) for the month.

Average weekly earnings fell 5% in finance, insurance, and real estate (n=47) compared to one month ago. Management investment offices as well as apartment building operators were partly to blame.

1 3/25/83 S0320-1 A

ALASKA DEPARTMENT OF LABOR

BILL SHEFFIELD, GOVERNOR

ALASKA ECONOMIC TRENDS

1—Southeast Forest Products Employment

[illegible]—Oil Revenues and Population Growth Contribute to 5.8% Increase in 1982 Alaska Employment

10—Alaska 1982 Unemployment up Slightly at 9.8%

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February 1983

ALASKA ECONOMIC TRENDS

Bill Sheffield, Governor
State of Alaska

Jim Robison, Commissioner
Department of Labor

John E. Post, Director
Administrative Services

Chuck Caldwell, Chief
Research and Analysis

Sally Saddler, Editor

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

February 1983
Volume 3
Issue 2

ALASKA ECONOMIC TRENDS is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

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The Department of Labor is looking for photographs for this and other publications. Photographs should illustrate the general theme of Alaskans at work or Alaskan economic activity, i.e., manufacturing, residential and commercial construction, etc.

Please list: 1) Photographer name and/or company; 2) Location of site; 3) Approximate date photo was taken; 4) Description of project or activity including names of companies or organizations significantly involved in funding, construction or operation. Photographs should be black and white prints, preferably 8 x 10 inches.

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SOUTHEAST FOREST PRODUCTS EMPLOYMENT

By Brit Harvey

The Southeast forest products industry is based on a complex combination of corporate investment, public resource use policy, and foreign demand. From the pre-statehood establishment of the industry through 1980, these factors combined to produce a viable industry. During the past two years diminished demand has depressed production, curtailed employment, and threatened the continued operations of industry firms. This depression is threatening to force a restructuring of the industry. While 1983 may be a year of moderate recovery, continued difficulties are a distinct possibility.

INDUSTRY HISTORY

The origins of the Southeast forest products industry were not so much in supply and demand as in public policy. As a territory, Alaska lacked sufficient population to support statehood. The federal government adopted a policy of stimulating Alaska population growth. To this end, the U.S. Forest Service negotiated 50-year timber sales with corporations willing to invest in mills in the Tongass National Forest. The lure for the corporations was an assured supply of inexpensive timber. The government in turn achieved population increases in Southeast Alaska.

In order to maximize domestic employment, the export of unprocessed logs felled on federal land was prohibited. This "primary manufacture" law resulted in the establishment of a cant industry which would not otherwise exist. A cant is a squared off log.

Forest Service accounting methods render an accurate forest by forest comparison of government costs of providing timber vs. revenue received difficult. It has been persuasively argued, however, that during the 1970's the Tongass as a whole ran a deficit on timber sales. This means that Forest Service costs of administration, pre-commercial thinning and transportation facility construction were greater in an average year than timber sale revenues. This is the case whether or not logging roads, such as the system on Prince of Wales Island, are included as a public benefit. This pattern of "deficit" sales is not unique to the Tongass nor to Alaska.

A very large proportion of Southeast Alaska cants and pulp have historically been exported to Japan. Japanese demand, while cyclical, supported the development of the industry, and peaked in the early 1970's. Communities based wholly or partially on forest products employment, such as Wrangell, Ketchikan and Sitka, developed around the industry. These communities, like the industry itself, were dependent on continued Japanese demand, industry investment and financial health, and federal public policy which supported deficit sales and primary manufacture.

The Alaska Native Claims Settlement Act (ANCSA) introduced Sealaska Corporation into the industry during the early 1970's. Sealaska, along with other Southeast Native corporations, is exempt from primary manufacture requirements for timber felled on land it owns. Native corporations' land selections were usually the most densely forested areas in the Tongass. ANCSA changed the industry in two major ways: 1) by decreasing the available high density timber for sale to non-native corporations; and 2) by providing for the first time a source of unprocessed Southeast logs for export.

In 1980, the Alaska National Interest Lands Conservation Act (ANILCA commonly referred to as d-2) was passed. The Southeast timber industry was a particular focus of this act. The policy goal embodied in ANILCA was to maintain the then current employment in the Southeast forest products industry. The method by which this goal was to be achieved was a guaranteed offering by the Forest Service of 450 MMBF annually for 10 years in the Tongass. At the time, employment was perceived as a function of the supply of timber, with sufficient demand assumed to exist. The trade-off considered in public policy debate was, bluntly put, jobs vs. wilderness. In retrospect, ANILCA overestimated the role of public policy in influencing employment. Conversely, the power of the market on the downside was either ignored or underestimated.

RECENT EVENTS

Not long after ANILCA became law, the Southeast forest products industry began a long slide into what industry sources are calling a depression. In June 1980, Southeast industry employment was 3,500. Two years later it was 2,550. Annual average employment in 1980 was 2,700, in 1981, 2,200 and in 1982, 1,900. Recurrent temporary mill closures during 1982 make even the low employment figures deceptively high when actual days worked are considered. (See Southeast Statistical Anomalies, page 25.)

Timber harvests in Southeast Alaska totaled 556 MMBF in 1980, 513 MMBF in 1981, and 290 MMBF in 1982.2/

The primary cause of these declines is a prolonged slump in Japanese housing construction. Japanese housing starts in fiscal year 1979 (Japanese fiscal years run from April to March) totaled 1.47 million. In FY 1980 starts dropped to 1.21 million, and in FY 1981 to 1.14 million. During the most recent one year period for which data are available (September 1981 through August 1982), housing starts were only 1.11 million.3/ Declining housing starts are reflected by a drop in Japanese demand for North American timber, from 1,285 thousand cubic meters in 1979, to 868 thousand cubic meters (estimated) in 1982.4/

The unusually severe depth and duration of the downturn is eroding the financial position of industry firms. Alaska Lumber and Pulp (ALP), one of the two major corporations operating in Southeast, operates a pulp mill in Sitka and a cant mill in Wrangell. ALP is reportedly attempting to sell its pulp mill and refinance its overall operations.

Louisiana-Pacific (LP), the other major Southeast operator, is more geographically diversified than ALP, which makes analysis of its Southeast operations difficult. LP is the 18th largest U.S. paper and forest products corporation, ranked by 1981 sales.5/ It had the largest percentage sales decrease among the 28 major U.S. paper and forest products corporations during 1981, and one of the largest percentage profit declines. During the first three quarters of 1982, this trend continued. LP sales declined 20% and the corporation lost $15.4 million, the second highest loss in the industry.6/ While LP has relatively little debt and a strong asset position, the industry recession has hurt LP as much or more than any other major paper and forest products corporation.

LP does not report separately on its Southeast operations. It is therefore not possible to state whether LP is operating at a loss in Southeast. Some industry observers see Native corporation competition hurting LP (and ALP). Exempt from primary manufacture restrictions, Native corporations have captured the top end of the Japanese export market by supplying old-growth timber in the more valuable log form. Having lost the top end of the market, LP may be pulping logs which otherwise might have been exported as cants. This diversion of raw materials to a lower value product might have hurt the profitability of LP operations. The temporary closures which typified LP's 1982 operations would be consistent with lowered profitability, as LP cut nonprofitable production awaiting an upturn in markets.

CURRENT ISSUES

Clearly both LP and ALP are under financial pressure. The indefinite closure of more mills is a possibility. While cant mills are under immediate pressure due to competition from Native corporation logs, the pulp mills are the key to the Southeast industry. Both LP and ALP hold 50-year sale contracts with the Forest Service. These contracts are valuable corporate assets and are attached to the pulp mills. They can be sold with the mills, as has occurred in LP's case.7/ A 50-year sale is voided if a pulp mill owner closes the mill for non-market reasons. LP threatened to close its pulp mill during the 1970's if required to install pollution control equipment. This non-market based closure would have voided the contract.8/

The weakened financial condition of ALP and LP bring into question the viability of the 50-year sales, which are the backbone of the industry. Although the conditions under which a sale contract would be broken are apparently subject to administrative review, continued depression in the industry could produce this result. Bankruptcy or prolonged inability to operate a pulp mill are scenarios which could void a sale. At this point it is very unlikely that this would occur. The 50-year sales allow price redeterminations designed to allow a profit for the operators. LP received a retroactive price adjustment in July which reduced its average stumpage (timber) price from $73.15/thousand board feet to $3.09. ALP has applied for a similar reduction. Obviously, a 50-year sale is a valuable asset, whether retained by the current owners or sold with a pulp mill. Additionally, the 50-year sales have strong political backing. Forest Service administrators would likely make every attempt to continue the sales and keep the pulp mills operating.

Another aspect of the industry affected by the slump is Forest Service sales and releases. The Forest Service is obligated to offer at least 450 MMBF of timber per year under ANILCA. This total comes from regular sales and releases from the 50-year sales. Sales have a duration of one to eight years, with operators deciding when to log during the sale period. Operators pay for the timber when harvested. Extensions can be granted, but the operator must start paying for the timber whether or not it is cut during the extension period, under current law.

Typically, operators will close a sale contract with the Forest Service based on the future prices they expect to receive for the timber when it is harvested. During 1981 sales and releases remained high, despite the decline in actual harvest volume. In 1982 harvest volume from Forest Service land plummeted by 25%.9/ Early in 1982 sales and releases remained high, but in the latter half of the year they also declined. In the last quarter of 1982 no major sales were made.10/

This indicates that as the downturn lengthens, firms are no longer willing and/or able to commit themselves to further future harvests. Without an increase in demand, it appears that the ANILCA-required offering of at least 450 MMBF/year will not result in anywhere near equivalent sales.

ECONOMIC OUTLOOK

The recent increase in U.S. housing starts and a broadly anticipated economic recovery have prompted many economists to predict a better year in 1983 for the U.S. forest products industry. Demographic trends point toward strong housing demand throughout the 1980's. Interest costs are generally viewed as the key housing start variable. Although interest costs have declined recently, sparking new housing construction, they remain historically very high when viewed in real terms. This is likely to continue, resulting in a trend toward smaller housing units and an increasing proportion of multiple-unit construction. While opinions vary, it is likely that much of the mill capacity closed during the current recession will never reopen. This is particularly true of Washington and Oregon.

Ironically, the Southeast Alaska forest products industry is also impacted by U.S. interest rates, but for a completely different reason. Southeast products, due to dependence on Japanese markets, are affected by the strength of the dollar against the yen. Recently the dollar has weakened against the yen. The timing of this change suggests that U.S. interest rates are the primary influence on the yen/dollar relationship. Decreasing U.S. interest rates therefore tend to directly benefit the *lower-48* forest products industry and indirectly benefit the Alaska industry.

U.S. interest rate forecasts vary widely. Most analysts predict a continued gradual decline during 1983. Others predict increases due to the effects of the Reagan administration's gigantic budget deficit.

Japanese housing starts, another important factor in demand for Southeast forest products, have increased recently, although they remain historically low. Once again, forecasts of Japanese housing starts vary. World economic recovery would fuel Japan's export-led economy, supporting increased demand. Should a recovery fail to materialize, Japanese housing starts are unlikely to advance substantially.

Two scenarios for 1983 Southeast forest products employment can be hypothesized. Should the U.S. economy begin a long-awaited recovery accompanied by declining interest rates, industry employment can be expected to bounce back to at least the 1981 level. The financial pressure on the industry would be partially relieved. Should the U.S. recession persist, with interest rates climbing in response to record budget deficits, Southeast forest products employment is unlikely to increase. Continued financial pressure, particularly on ALP, could result in structural changes in the industry which could further reduce employment, perhaps for longer than just 1983.

The consensus of economic forecasts would tend to favor the first scenario. Considering the recent track record of economic forecasting, this is scant solace for unemployed industry workers or their employers.

SOURCES

1/ Alaska Department of Labor, Research and Analysis.

2/ "Timber Supply and Demand 1982"; U.S. Forest Service; p.4.

3/ "Monthly Report", Industrial Bank of Japan; November 1982; p.3.

4/ "Timber Supply and Demand 1982"; U.S. Forest Service; p. A-22.

5/ BusinessWeek, March 15, 1982; p. 93.

6/ BusinessWeek. November 15, 1982; p. 102.

7/ Al Akin, U.S. Forest Service, Timber Management, Juneau; Conversation, 12/22/82

8/ (same as above)

9/ "Timber Supply and Demand 1982"; U.S. Forest Service; p. 4, p. 12.

10/ Al Akin, U.S. Forest Service, Timber Management, Juneau; Conversation, 1/3/83.

ALASKA

By Brit Harvey

NONAGRICULTURAL EMPLOYMENT

Alaska nonagricultural wage and salary employment declined in December by 1.0% to 187,500. This total was 6.5% higher than last year. After seasonal adjustment, December employment showed a strong increase, reflecting underlying growth in the Alaska economy.

1982 Alaska annual average nonagricultural employment was 187,600, a 5.8% increase over 1981. This rapid economic growth rate contrasts sharply with much of the rest of the world, where economic recession dominated 1982. Alaska's 1982 employment growth was led by construction, with a 19.8% increase over the 1981 annual average. Three secondary industries (trade; services; and finance, insurance and real estate) also contributed heavily, with growth rates in the 6-8% range. Government, Alaska's largest industry, grew at a slightly slower rate than overall employment. Seafood processing employment declined by 22.2%, as did lumber and pulp employment, which was down by 10.7%.

1982 was a year of economic dichotomies. Anchorage employment increased 9.1%, while the rest of the state experienced employment growth of 2.9%. Employment expansion was concentrated in construction and the secondary industries, both of which are largely Anchorage-based. Two of the state's traditionally important industries, seafood processing and forest products, suffered poor years and declining employment. Generally, 1982 was a strong year for nonrenewable resources and a weak one for renewable resources. Perhaps the most interesting paradox was the pervasive warnings of pending economic difficulties in the midst of a boom.

1982 also saw numerous setbacks for big projects. The Alaska Natural Gas Transportation System (ANGTS) gasline appears to be nearly dead. The Dow-Shell study set to rest the petrochemical development issue. Doyon Native Corporation canceled plans for an oil refinery. The state's single synfuel proposal failed to receive federal subsidy. The Valdez Municipal grain terminal project, while partially completed, appears to be shaping up as a financial drain for the city. The prospects

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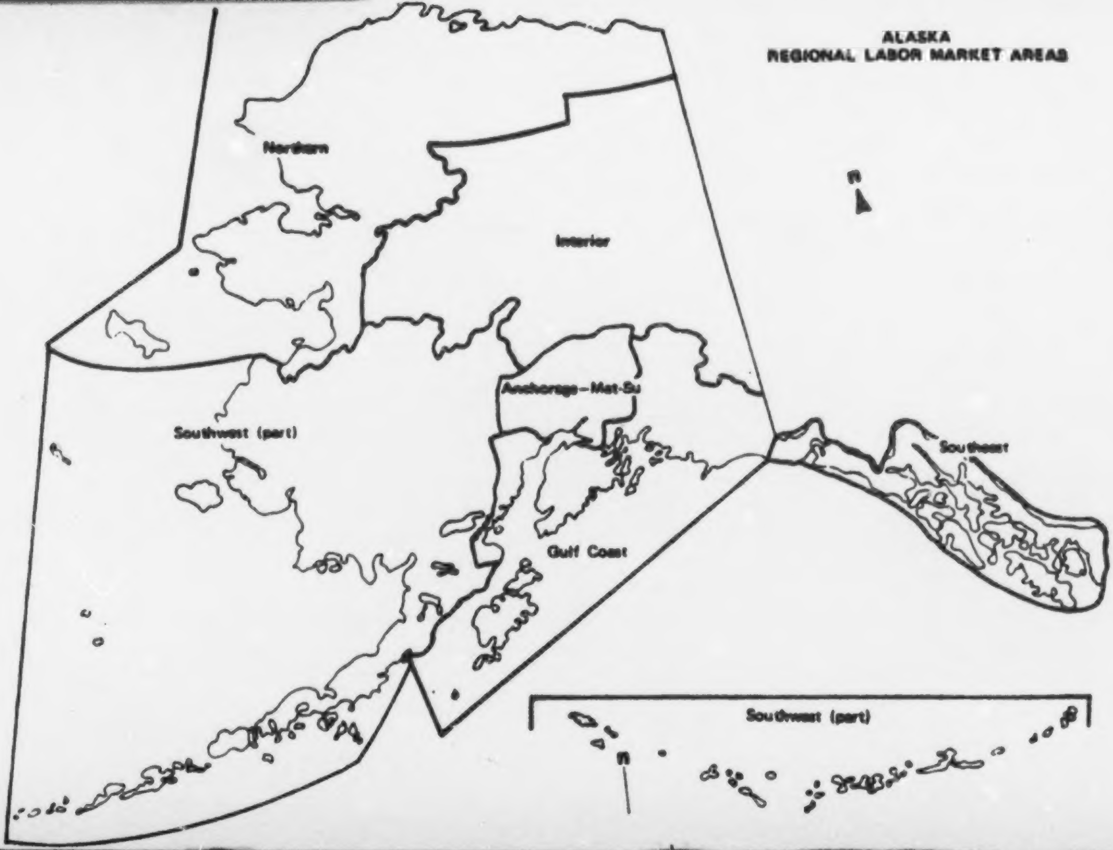

ALASKA
REGIONAL LABOR MARKET AREAS
N
Northern
Interior
Anchorage–Mat-Su
Southwest (part)
Southeast
Gulf Coast
Southwest (part)
N

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	R/		CHANGES FROM:	
	12/82	11/82	12/81	11/82	12/81
Nonag. Wage & Salary......	187500	189400	176000	-1900	11500
Mining	7600	7800	7600	-200	0
Construction	13500	14900	11800	-1400	1700
Manufacturing	7000	6800	7900	200	-900
Food & Kindred Prod.....	2500	2000	3200	500	-700
Lumber & Paper Prod....	1800	1900	2000	-100	-200
All Other Mfg.	2700	2900	2700	-200	0
Trans. Comm. & Util.......	18300	18600	17400	-300	900
Trucking & Whseing.	2200	2200	2200	0	0
Water Transportation	1400	1600	900	-200	500
Air Transportation	5400	5500	5300	-100	100
Other Transportation Comm. & Utilities	9300	9300	9000	0	300
Trade	35600	35400	32000	200	3600
Wholesale Trade	6900	6800	6300	100	600
Retail Trade	28700	28600	25700	100	3000
Gen. Merchandise & Apparel	5100	4700	4300	400	800
Food Stores	5000	5000	4500	0	500
Eating & Drinking Places	9400	9700	8800	-300	600
Other Retail Trade	9200	9200	8100	0	1100
Finance-Ins. & R. Estate ..	9200	9300	8700	-100	500
Services & Misc.	33500	33800	31400	-300	2100
Government	62800	62800	59200	0	3600
Federal Government	18300	18100	17700	200	600
State Government	18100	18200	17300	-100	800
Local Government	26400	26500	24200	-100	2200

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

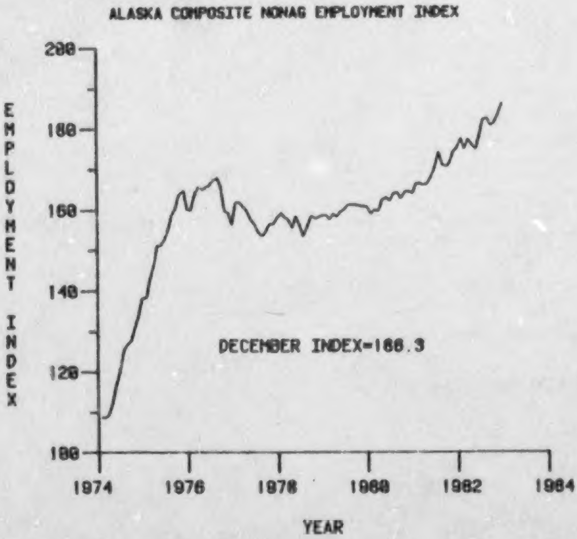
R/ Denotes revised estimates.

for export of liquified natural gas from Kenai to Point Conception, California remain dim. On the other hand, Anchorage office construction projects, harbor improvements in several towns, and massive North Slope projects are currently contributing to employment.

UNEMPLOYMENT

The Alaska December unemployment rate was 10.0%, the same as December 1981, and up slightly from the November rate of 9.8%. This December's increase of 0.2% percentage points was unusually small. Underlying economic expansion as evidenced by increased seasonally adjusted nonagricultural employment, helped limit the unemployment rate increase. A strong holiday buying season and the continuing impact of permanent fund dividend spending were contributing factors. December is also an unpopular month to be in Alaska in search of work.

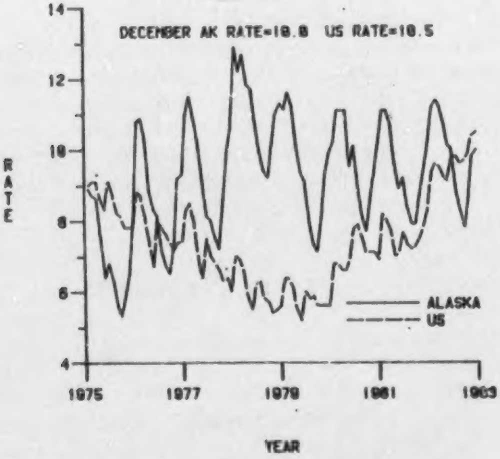
The preliminary 1982 annual average unemployment rate for Alaska was 9.8%, slightly above the 9.4% 1981 rate. Alaska annual average unemployment has been between 9.3% and 9.8% from 1979 through 1982. The unemployment rate rose during spring with the arrival of unemployed in-migrants, but



fell back to approximately last year's level in the fall, as Alaska's economy expanded to absorb the increased labor force.

The 1982 not seasonally adjusted annual average unemployment rate for the U.S. was 9.7%, or a mere 0.1 percentage point below Alaska's comparable unemployment rate. During 1982, Alaska unemployment was about average relative to other states. This is quite a change, as Alaska has historically been a very high unemployment state. The prolonged national recession is the cause of this change. While the unemployment situation in the past two years has become slightly worse in Alaska, it has become much worse nationally, making Alaska relatively better off. While this doesn't make it easier to find a job now in Alaska, it does make Alaska a relatively better place to look than it was a few years ago.

ALASKA AND US UNEMPLOYMENT RATE
NOT SEASONALLY ADJUSTED



ANCHORAGE-MATSU

By Greg Huff

LABOR FORCE

In December, the Anchorage-MatSu region's unemployment rate remained at the November level of 7.8%. The preliminary annual average rate for 1982 averaged 7.9%, nearly two percentage points below the statewide rate and three percentage points below the national rate.

Although the region's rate looks good it does not indicate a shortage of workers in the labor market. Just the opposite is true. Despite large gains in employment over the year in-migration resulted in more individuals competing for those jobs.

NONAGRICULTURAL EMPLOYMENT

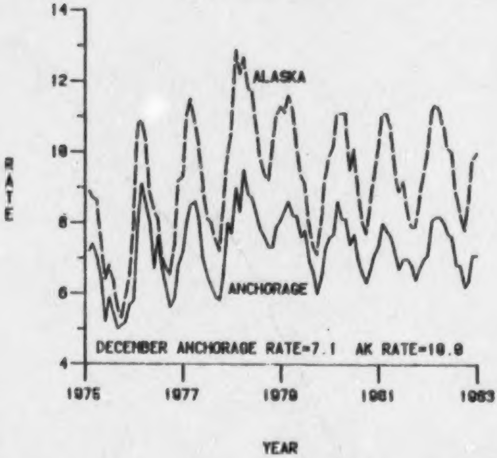
December nonagricultural employment declined 1.4% from the November level and the seasonally adjusted employment index rose seven-tenths of a percentage point. Factors influencing this less-than-normal decline were a strong retail Christmas season and the utilization of "winter-construction-technology". Buildings across town have been enveloped with polyurethane and heated so that construction, which would have halted for winter, continues. Contractors have also been starting projects during the "off" season.

1982 ANCHORAGE EMPLOYMENT

1982 was a banner year. Anchorage nonagricultural employment averaged 91,400, a 9% increase over 1981. This increase of 7,400 jobs makes 1982 the single strongest employment growth year since 1974 when nonagricultural employment expanded 13% (8,000 jobs). The primary catalyst for the exceptional growth in 1982 was the end result of what began in 1974, the construction of the oil pipeline. Oil generated state revenues translated into record capital project appropriations and subsidized loan programs for business and home owners. Although oil prices declined in 1982 and hence lowered state revenues, the infusion of earlier oil money was in high gear. Anchorage received its share of this money for roads and buildings (public and residential), but because Anchorage is a

[Text continued on page 15]

ANCHORAGE AND ALASKA UNEMPLOYMENT RATES



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK ANCHORAGE-MATSU

	P/ 12/82	R/ 11/82	12/81	CHANGES FROM: 11/82	12/81
Nonag. Wage & Salary......	97700	98950	89400	-1250	8300
Mining	3400	3400	3300	0	100
Construction	7750	8900	6750	-1150	1000
Manufacturing	2000	2050	1800	-50	200
Trans. Comm. & Util.	9250	9550	8700	-300	550
Trade	22500	22100	19850	400	2650
Finance-Ins. & R. Estate ..	6450	6500	5950	-50	500
Services & Misc.	19650	19550	18050	100	1600
Government	26700	26900	25000	-200	1700

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

				CHANGES FROM:	
	P/	R/			
	12/82	11/82	12/81	11/82	12/81
Nonag. Wage & Salary......	93950	95250	85950	-1300	8000
Mining	3300	3300	3250	0	50
Construction	7450	8500	6550	-1050	900
Manufacturing	1950	2050	1750	-100	200
Food & Kindred Prod.....	300	350	300	-50	0
Other Mfg.	1650	1700	1450	-50	200
Trans. Comm. & Util.	9050	9350	8300	-300	750
Trucking & Whseing.	1200	1200	1150	0	50
Water Transportation	400	500	300	-100	100
Air Transportation	3200	3300	3000	-100	200
Other Transportation Comm. & Utilities	4250	4350	3850	-100	400
Trade	21650	21350	19100	300	2550
Wholesale Trade	4750	4800	4550	-50	200
Retail Trade..............	16900	16550	14550	350	2350
Gen. Merchandise	2100	2050	2100	50	0
Food Stores.............	2500	2450	2200	50	300
Eating & Drinking Places	5800	5750	4750	50	1050
Other Retail Trade	6500	6300	5500	200	1000
Finance-Ins. & R. Estate ..	6350	6400	5850	-50	500
Services & Misc...........	19100	19000	17650	100	1450
Government	25100	25300	23500	-200	1600
Federal	10000	10050	9800	-50	200
State	6350	6500	5900	-150	450
Local.....................	8750	8750	7800	0	950

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 12/82	R 11/82	12/81	P 12/82	R 11/82	12/81	P 12/82	R 11/82	12/81	P 12/82	R 11/82	12/81
Alaska Statewide	196730	199203	191610	19640	19559	19200	10.0	9.8	10.0	177090	179644	172410
Anch.-MatSu Region.....	103404	104848	97736	8051	8191	7537	7.8	7.8	7.7	95353	96657	90199
Anchorage.............	93130	94448	88124	6614	6748	6284	7.1	7.1	7.1	86516	87700	81840
Matanuska-Susitna	10274	10400	9612	1437	1443	1253	14.0	13.9	13.0	8837	8957	8359
Gulf Coast Region	20502	21075	20865	2958	3151	2777	14.4	15.0	13.3	17544	17924	18088
Cordova	1061	1070	1107	122	111	139	11.5	10.4	12.6	939	959	968
Kenai	10698	10898	10755	1759	1765	1539	16.4	16.2	14.3	8939	9133	9216
Kodiak	4488	4803	4704	482	710	574	10.7	14.8	12.2	4006	4093	4130
Seward	1519	1545	1544	268	267	254	17.6	17.3	16.5	1251	1278	1290
Valdez	2736	2759	2755	327	298	271	12.0	10.8	9.8	2409	2461	2484
Interior Region	26453	26736	25598	3985	3869	3553	15.1	14.5	13.9	22468	22867	22045
Fairbanks	21601	21872	20864	3288	3235	2896	15.2	14.8	13.9	18313	18637	17968
Southeast Fairbanks...	2061	2089	2071	224	219	269	10.9	10.5	13.0	1837	1870	1802
Upper Yukon	646	642	618	98	84	80	15.2	13.1	12.9	548	558	538
Yukon-Koyukuk........	2145	2133	2045	375	331	308	17.5	15.5	15.1	1770	1802	1737
Northern Region	8795	8910	8613	655	622	625	7.4	7.0	7.3	8140	8288	7988
Barrow-North Slope ...	2354	2392	2300	158	156	145	6.7	6.5	6.3	2196	2236	2155
Kobuk..................	2710	2793	2698	184	221	219	6.8	7.9	8.1	2526	2572	2479
Nome	3731	3725	3615	313	245	261	8.4	6.6	7.2	3418	3480	3354
Southeast Region.........	28373	28312	28943	3289	3039	3720	11.6	10.7	12.9	25084	25273	25223
Angoon	389	374	385	57	39	51	14.7	10.4	13.2	332	335	334
Haines	1020	976	987	174	123	136	17.1	12.6	13.8	846	853	851
Juneau.................	9916	10030	9959	812	855	803	8.2	8.5	8.1	9104	9175	9156
Ketchikan	6006	5958	6487	729	642	1181	12.1	10.8	18.2	5277	5316	5306
Outer Ketchikan	793	825	785	171	199	160	21.6	24.1	20.4	622	626	625
Prince of Wales	1353	1371	1353	192	202	186	14.2	14.7	13.7	1161	1169	1167
Sitka	4030	4089	4143	351	383	444	8.7	9.4	10.7	3679	3706	3699
Skagway	1433	1437	1454	206	201	220	14.4	14.0	15.1	1227	1236	1234
Wrangell-Petersburg.............	3433	3252	3390	597	395	539	17.4	12.1	15.9	2836	2857	2851
Southwest Region	9203	9322	9855	702	687	988	7.6	7.4	10.0	8501	8635	8867
Aleutian Islands........	2411	2469	2564	99	121	153	4.1	4.9	6.0	2312	2348	2411
Bethel..................	2943	2988	3236	239	241	415	8.1	8.1	12.8	2704	2747	2821
Bristol Bay Borough ...	333	336	355	28	26	37	8.4	7.7	10.4	305	310	318
Bristol Bay	1234	1242	1312	92	82	121	7.5	6.6	9.2	1142	1160	1191
Kuskokwim	804	816	896	67	67	127	8.3	8.2	14.2	737	749	769
Wade Hampton	1478	1471	1492	177	150	135	12.0	10.2	9.0	1301	1321	1357

P/=Preliminary   1981 Benchmark

R/=Revised

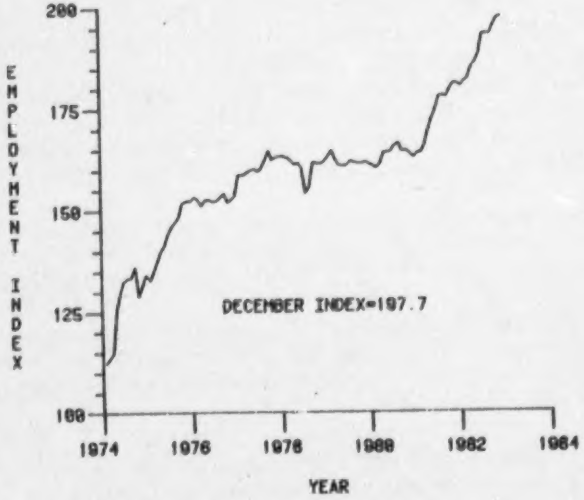
Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

[*Continued from page 12*]

hub of commerce, finance and transportation, it also felt the impact of statewide expansion. Anchorage was less affected by the depressed lumber and pulp industry and sluggish fish processing industry.

A secondary factor of Anchorage's economic success in 1982 was the rapid influx of people from the *lower 48* states and the resulting spin-off effect (for example, increased demand for goods and services). Population has been estimated to have increased by nearly 22,000 from July 1981 to July 1982. This rapid influx is a function of the relatively good economy in Anchorage, high unemployment in the continental states, the mystique of the "Last Frontier", the myth of a shortage of workers in Alaska and its "windfall" wages.

ANCHORAGE COMPOSITE NONAG EMPLOYMENT INDEX



INTERIOR/FAIRBANKS

By Neal Fried

1982 IN REVIEW

Fairbanks' labor market expanded for the second year in a row as wage and salary employment grew by a modest 3.5%. This is the largest gain Fairbanks has made on the employment scene since 1975.

At the same time, Fairbanks' population continued to grow in 1982, reaching 59,222, or a 9.7% increase since 1980. Much of this increase in population can be attributed to in-migration spurred by the terrible economic situation in the rest of the nation. This in-migration has caused the labor force to expand both on the employment and unemployment side of the equation. Unemployment has grown more rapidly than employment, which has pushed the unemployment rate up from 12.1% in 1981 to 13.9% in 1982. In other words, though Fairbanks' economy produced more jobs in 1982 (unlike most of the nation) they were quickly absorbed by job seekers. As a result, the local labor market remained extremely competitive and unable to provide jobs for all who sought work.

Employment growth did not result from any one particular project or industry, but instead from a number of Fairbanks' basic sectors. Much of this growth came from increased state expenditures which have been fueling growth throughout the state. This has come in the form of housing loan subsidies, lower mortgage rates, mining, energy and business loans, capital projects, dividend checks and growth in state and local government.

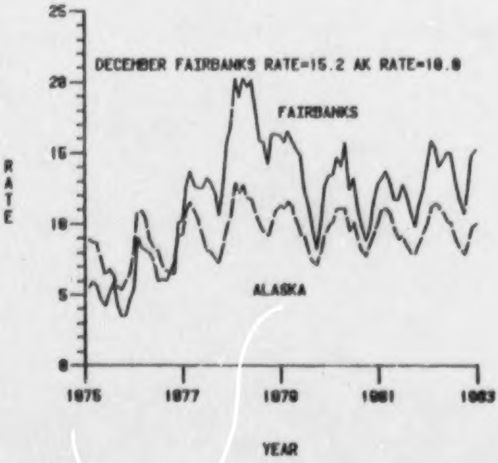
However, growth in Fairbanks can not be attributed to increased state expenditures alone. Two other major sources have been heightened activity on the North Slope and expansion of the military, particularly the Air Force. Though drilling activity declined in 1982, operations and construction grew on the North Slope. The dropoff in drilling is not felt as much in Fairbanks because drilling companies' headquarters and recruitment comes largely out of Anchorage and elsewhere. Construction and maintenance on the other hand has a more direct effect on Fairbanks because a large number of workers are dispatched from Fairbanks for this type of work. In

1981 it was estimated that 1,094 workers on the North Slope came from Fairbanks, or 22.6% of the Alaskan oil field work force-the second largest source besides Anchorage. These workers and their families in turn spend much of their income in the Fairbanks economy which creates secondary employment. A variety of services is also provided to the North Slope from Fairbanks' businesses which depend exclusively or partially on business they do with the North Slope.

The military, another basic sector in the Fairbanks economy, also experienced expansion in 1982. For the past year and a half Eielson Air Force Base has brought in an additional 500 troops. By April the number of new troops will grow to 867. Though uniformed military are not counted in the employment statistics, additional civilian support is also necessary. These additional troops also demand housing and other services which translate into expenditures made in the local economy.

These three sources of economic stimulus, state spending, North Slope activity and the military, appear to be responsible for most of the growth that occurred in Fairbanks' employment in 1982.

FAIRBANKS AND ALASKA UNEMPLOYMENT RATES



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/ 12/82	R/ 11/82	12/81	CHANGES FROM: 11/82	 12/81
Nonag. Wage & Salary......	22400	22700	21400	-300	1000
Mining	50	50	50	0	0
Construction	1550	1750	1550	-200	0
Manufacturing	450	450	450	0	0
Trans. Comm. & Util.	2750	2650	2550	100	200
Trucking & Whseing.	450	400	400	50	50
Air Transportation	650	650	650	0	0
Other Trans. Comm. & Utilities.................	1650	1600	1500	50	150
Trade	4250	4250	4050	0	200
Wholesale Trade	700	700	700	0	0
Retail Trade	3550	3550	3350	0	200
Gen. Merchandise & Apparel	500	450	450	50	50
Food Stores.............	650	650	600	0	50
Other Retail Trade	2400	2450	2300	-50	100
Finance-Ins. & R. Estate ..	800	800	750	0	50
Services & Misc.	4100	4150	3800	-50	300
Government	8450	8600	8200	-150	250
Federal	2400	2350	2350	50	50
State	3700	3850	3550	-150	150
Local.....................	2350	2400	2300	-50	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

INDUSTRY PROFILE

Almost all of Fairbanks' industries were able to capture some of the growth in annual employment. Construction grew at 5.6% as residential construction slowed down in 1982. There were 8.8% fewer building permits issued this year. Increased highway and public construction more than made up for the residential shortfall. Large projects such as the construction of three elementary schools, expansion of the hospital and jail, and completion of the Ben Boeke Ice Arena are examples of this activity.

Trade and services grew as a result of growing population and greater spending power. Finance, insurance and real estate grew for similar reasons. Bank accounts grew and real estate activity remained brisk in 1982. Government also expanded, particularly local and state government. Local government grew as the demand for services increased and as increased revenues from state coffers were made available. Most of the growth in state government came from Fairbanks' single largest employer, the University of Alaska. The University of

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NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

				CHANGES FROM:	
	P/	R/			
	12/82	**11/82**	**12/81**	**11/82**	**12/81**
Nonag. Wage & Salary......	26100	26550	24750	-450	1350
Mining	250	250	200	0	50
Construction	1750	2000	1700	-250	50
Manufacturing	600	550	600	50	0
Trans. Comm. & Util.	3550	3550	3400	0	150
Trade	4500	4450	4200	50	300
Finance-Ins. & R. Estate ..	850	900	800	-50	50
Services & Misc.	4500	4550	4150	-50	350
Government	10100	10300	9700	-200	400

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

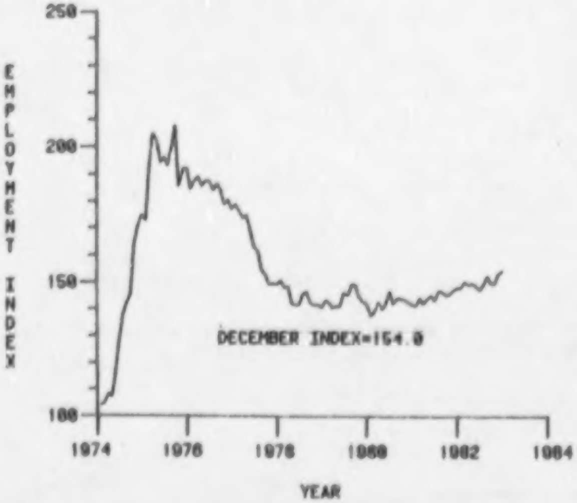
P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

Alaska's student population reached such record numbers during the academic year of 1981-1982 that the university had a difficult time accommodating all of the students. The number of faculty and staff also increased. The additional faculty, staff and students in turn made expenditures in the local economy which provided additional stimulus. The only major industry that did not move forward was transportation, communications and utilities which remained largely unchanged from year-ago levels.

THE GASLINE

The Northwest Alaska Pipeline project was finally put on the back burner in 1982 after many years of delay and speculation. There was always a shroud of uncertainity surrounding the economic feasibility of the project. Apparently its high cost and the decline in oil prices caused it to be put on indefinite delay. The announcement of this delay did not cause Fairbanks' economy to shudder as one might expect from a project of its magnitude. Fairbanks' business community had treated this project with caution and did not expand or build up their inventories in response to the possibilities of this project. Approximately 100 employees from Northwest and their subcontractors were laid off last spring and summer, but growth in



FAIRBANKS COMPOSITE NONAG EMPLOYMENT INDEX the local economy was able to more than make up for these losses.

GULF COAST

By Neal Fried

1982 IN REVIEW

Nonagricultural wage and salary employment in the Gulf Coast did not grow in 1982; it remained unchanged. This does not, however, mean the region stagnated in 1982 and there is plenty of evidence to the contrary. The total employment figure was affected by one industry. Most of the region's industries grew in 1982.

Total employment did not grow because of 1982's terrible shellfish (crab, shrimp and clams) season. This year's season was below a year ago and easily qualifies for the worst crab and shrimp season of the decade. In the past there were years when more shrimp were harvested than 1982's entire shellfish season. The Kodiak and Cook-Inlet districts were particularly hard hit. This decline in catch caused a corresponding drop in fish processing employment, which was large enough to keep total employment from growing. This occurred despite this year's salmon season catch which was above average.

Almost all other major industry categories grew in 1982. Much of the growth in these industries resulted from increased state spending in the form of capital projects, dividend checks, housing subsidies, subsidized business loans and an increase in state and local government.

Construction was probably the major beneficiary of increased state spending. Residential building permits grew by 7.6%, the largest increase in four years. Public construction also grew as the state and most of the region's communities sponsored capital improvements. Cordova, Valdez, Kodiak and Homer either completed or began major expansion of their harbor facilities. The Terror Lake Dam in Kodiak got underway and work on the Seward Marine Industrial Center continued. Soldotna began construction on a new Sports Arena and Valdez completed their new convention center. The grain elevator portion of the Valdez grain terminal was finished, although the planned conveyor system to load the elevator has not been started. School construction and expansion got underway in many of the communities. These are examples of a few of the major projects that began or were completed in 1982.

Trade and services industries also chalked up gains in 1982 due to an increase in area population and income combined with a good tourism season. Much of the increase in tourism in the region, particularly on the Kenai Peninsula, can be attributed to growth in the number of visitors from Anchorage. With Anchorage's population growing and economy in high gear, more people are choosing to spend their leisure time on the Peninsula. The burgeoning real estate sector provided for much of the growth (12.5%) in the finance, insurance and real estate industry. Government also made some gains (4.0%), all in the state and local sectors.

LABOR FORCE STATISTICS

Labor force statistics for the region did not provide much

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

	P/	*R/*		CHANGES FROM:	
	12/82	**11/82**	**12/81**	**11/82**	**12/81**
Nonag. Wage & Salary	15300	15550	15400	-250	-100
Mining	850	850	900	0	-50
Construction	900	1050	850	-150	50
Manufacturing	1800	1700	2450	100	-650
Food & Kindred Prod.	1050	900	1700	150	-650
All Other Mfg.	750	800	750	-50	0
Trans. Comm. & Util.	1700	1750	1650	-50	50
Trade	2500	2550	2300	-50	200
Wholesale Trade	400	400	350	0	50
Retail Trade	2100	2150	1950	-50	150
Finance-Ins. & R. Estate	450	450	450	0	0
Services & Misc.	2550	2600	2450	-50	100
Government	4550	4600	4350	-50	200
Federal	550	500	500	50	50
State	1350	1450	1350	-100	0
Local	2650	2650	2500	0	150

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

reason for celebration. The region's preliminary annual unemployment rate of 13.4% was 1.3 percentage points higher than last year's. The region's rate almost always has been above the state's rate, largely because of the very seasonal nature of the economy. The unemployment rate was substantially higher in 1982 because of the poor shellfish season and the in-migration of job seekers. All but one of four divisions within the region had annual unemployment rates above 10%. Cordova-McCarthy was the only division with a rate below double-digit figures (9.6%). Kenai-Cook Inlet, Valdez-Chitina-Whittier and Kodiak rates registered at 15.5%, 11.4% and 11.0%, respectively. These statistics indicate that the region's labor market continues to remain out of balance as more individuals seek work than there is work available.

SOUTHEAST

By Brit Harvey

NONAGRICULTURAL EMPLOYMENT

December Southeast nonagricultural wage and salary employment was 25,900, a 1.0% decline from November, and only 1.6% above a year ago. 1982 annual average employment was 27,000, or 1.1% above 1981. Southeast clearly did not share in the economic growth experienced by the state as a whole during 1982.

SOUTHEAST STATISTICAL ANOMALIES

It is occasionally difficult to relate the statistics published here to economic events reported in the media. Several examples are considered and explained below.

Alaska Lumber and Pulp shut down its Wrangell cant mill in December. The announcement was made earlier and was reported throughout the state. This closure will not affect the Southeast employment estimates, due to the timing of the closure. Employment is estimated based on sample information for the week including the 12th of the month. The Wrangell mill closure occurred after the December "key" week. The mill is scheduled to reopen in January, and so this widely reported economic event may never show up in employment estimates.

The White Pass Railroad shut down its operations in Skagway during October, idling about 150 workers. Yet the unemployment rate listed for the Skagway-Yakutat census division is about the same as last year. Why did this widely reported layoff not effect the official statistics? Labor force statistics are calculated in accordance with a complex methodology developed by the federal government. In general, all states must follow the same procedure so that comparable unemployment rates will be available for allocation of federal funds for such programs as job training and economic development. For complex reasons related to the special railroad unemployment insurance system, the unemployment insurance claims of laid-off White Pass workers are allocated to all of Southeast, rather than Skagway. If White Pass were any other type of business, the unemployed workers would file for state unemployment benefits, and the unemployed people would be allocated to Skagway rather than all of Southeast.

A third example is the Haines census division labor force, which is roughly equal to the current population of Haines. This implausible situation is once again the result of the methodology used to develop labor force statistics. There is no feasible way to estimate resident employment by census division. To solve this problem, the estimated Southeast employment is disaggregated to census divisions on the basis of census based population. Federal methodology precluded the use of the most recent census figures in 1982. These figures will be used in 1983.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

				CHANGES FROM:	
	P/	R/			
	12/82	**11/82**	**12/81**	**11/82**	**12/81**
Nonag. Wage & Salary	25900	26150	25500	-250	400
Construction	1100	1350	1100	-250	0
Manufacturing	2000	2100	2250	-100	-250
Food & Kindred Prod.	350	350	500	0	-150
Lumber & Paper Prod.	1350	1500	1500	-150	-150
All Other Mfg.	300	250	250	50	50
Trans. Comm. & Util.	2200	2250	2500	-50	-300
Trade	4600	4450	4050	150	550
Wholesale Trade	350	350	400	0	-50
Retail Trade	4250	4100	3650	150	600
Finance-Ins. & R. Estate	1050	1050	1000	0	50
Mining, Services & Misc.	3750	3700	3500	50	250
Government	11200	11250	11100	-50	100
Federal	2050	2150	2250	-100	-200
State	5250	5200	4950	50	300
Local	3900	3900	3900	0	0

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1980.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

Generally, users of the data published in *Alaska Economic Trends* should be wary of figures for areas with very small populations. Regional data are more reliable than census division data, and statewide data are more reliable than regional data. These statistics are always a compromise between accuracy, cost and national uniformity. In a state such as Alaska, where very small numbers of people are spread across a vast land mass, statistics must always be carefully examined prior to analysis.

HOURS AND EARNINGS

By Brit Harvey

November hours and earnings data displayed few changes. Manufacturing average hourly earnings increased due to seasonal changes in the composition of the work force. In the lumber and pulp sector, earnings increased as higher paid pulp workers made up a larger proportion of all workers. The decline in fish processing employment resulted in higher paid lumber and pulp employees making up a larger proportion of overall manufacturing employment, boosting average hourly earnings. Construction average weekly hours showed an expected seasonal decline.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 11/82	r/ 10/82	11/81	p/ 11/82	r/ 10/82	11/81	p/ 11/82	r/ 10/82	11/81
MINING	$24.49	$23.71	$20.66	50.6	50.3	52.6	$1239.19	$1192.61	$1086.72
CONTRACT CONST.3/	24.59	23.81	22.96	36.6	44.5	43.3	899.99	1059.55	994.17
MANUFACTURING	15.27	14.01	12.63	32.5	32.8	35.3	496.28	459.53	445.84
Food & Kindred Prod.	9.20	8.26	8.53	19.6	23.8	29.8	180.32	196.59	254.19
Lumber & Paper Prod.	16.79	16.08	15.40	39.5	39.8	40.9	663.21	639.98	629.86
TRANS., COMM. & UTIL.	14.78	15.27	15.28	38.2	38.7	37.8	564.60	590.95	577.58
TRADE	9.76	9.84	9.43	34.6	35.3	34.3	337.70	347.35	323.45
Wholesale Trade	11.31	11.66	11.35	37.3	37.9	37.4	421.86	441.91	424.49
Retail Trade	9.15	9.08	8.62	33.6	34.3	33.2	307.44	311.44	286.18
FINANCE, INS. & R.E.	--	--	--	--	--	--	346.75	344.33	349.43

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

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ALASKA DEPARTMENT OF LABOR

BILL SHEFFIELD, GOVERNOR

ALASKA ECONOMIC TRENDS

1—North Slope Special Census for Oil Worksites

5—January Wage and Salary Employment up 7.5% over last year

BEST AVAILABLE COPY

March 1983

ALASKA ECONOMIC TRENDS

Bill Sheffield, Governor
State of Alaska

Jim Robison, Commissioner
Department of Labor

John E. Post, Director
Administrative Services

Chuck Caldwell, Chief
Research and Analysis

Chris Miller, Editor

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

March 1983
Volume 3
Issue 3

ALASKA ECONOMIC TRENDS is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

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SPECIAL CENSUS RESULTS FOR OIL RELATED WORKSITES IN THE NORTH SLOPE BOROUGH

By Dave Swanson

This report provides the results taken from a special census of the entire North Slope Borough (excluding the City of Barrow) that was conducted in January and February, 1982 to provide an official state population determination for 1981. The census was paid for by the North Slope Borough, which awarded the work to a private contractor. The State of Alaska provided technical assistance, quality control, and general supervision of the census through the State Demographer and staff from the Research and Analysis Section, Alaska Department of Labor.

HIGHLIGHTS

* 6,306 people were at oil-related worksites in the North Slope Borough at the time of the special census.

* 77.3% of all persons at oil-related worksites claimed Alaska as their usual place of residence.

* Washington was the state outside of Alaska most frequently identified as the usual place of residence.

* 9.4% of all persons at oil-related worksites were female.

* 29.9% of all people at oil-related worksites were housed in camps identified as "trades and construction".

Table 1
Persons at Oil-Related Worksites in the North Slope Borough by State of Usual Residence

State	Number Naming State as Usual Residence
Alabama	20
Alaska*	4,874
Arizona	25
Arkansas	10
California	204
Colorado	52
Connecticut	2
Delaware	0
District of Columbia	0
Florida	16
Georgia	1
Hawaii	9
Idaho	47
Illinois	10
Indiana	1
Iowa	4
Kansas	3
Kentucky	9
Louisiana	44
Maine	2
Maryland	9
Massachusetts	2
Michigan	20
Minnesota	23
Mississippi	18
Missouri	9
Montana	84
Nebraska	6
Nevada	23
New Hampshire	4
New Jersey	6
New Mexico	22
New York	3
North Carolina	6
North Dakota	18
Ohio	4
Oklahoma	54
Oregon	73
Pennsylvania	15
Rhode Island	0
South Carolina	7
South Dakota	7
Tennessee	7
Texas	185
Utah	22
Vermont	2
Virginia	0
Washington	264
West Virginia	1
Wisconsin	13
Wyoming	31
Foreign Country	35
Total	6,306

* Includes persons claiming no usual place of residence.

Table 2
Persons at Oil-Related Worksites in the North Slope Borough Naming Alaska as Their Usual Place of Residence by 1980 Census Area

1980 Census Area	Number of Persons Naming Area as their Usual Place of Residence	Percent
Aleutian Islands	0	0.0
Anchorage, Municipality of	2,496	51.2
Bethel	10	0.2
Bristol Bay Borough	0	0.0
Dillingham	2	0.0
Fairbanks-North Star Borough	1,094	22.4
Haines Borough	10	0.2
Juneau, City and Borough of	44	0.9
Kenai Peninsula Borough	437	9.0
Ketchikan Gateway Borough	3	0.1
Kobuk	28	0.6
Kodiak Island Borough	6	0.1
Matanuska-Susitna Borough	413	8.5
Nome	9	0.2
North Slope Borough*	178	3.7
Prince of Wales-Outer Ketchikan	0	0.0
Sitka, City and Borough of	7	0.1
Skagway-Yakutat-Angoon	3	0.1
Southeast Fairbanks	37	0.8
Valdez-Cordova	31	0.6
Wade Hampton	1	0.0
Wrangell-Petersburg	6	0.1
Yukon-Koyukuk	59	1.2
TOTAL	4,874	100.0

* Includes persons claiming no usual place of residence.

Table 3
Persons at Oil-Related Worksites in the North Slope Borough by Sex

Sex	Number	Percent
Male	5,711	90.6
Female	595	9.4
Total	6,306	100.0

Table 4
Number of Persons at Oil-Related Worksites in the North Slope Borough by Region of Usual Place of Residence and Type of Camp

Type of Camp	Number Naming Alaska as Usual Place of Residence*	Number Naming Usual Place of Residence Outside of Alaska	Total
Operations	876	87	963
Trades, Construction	1352	532	1884
Oil Rig	1140	291	1431
Seismic	135	84	219
Tech. Services and Fabrication	59	47	106
Government	34	1	35
Ground Transportation	219	65	284
Air Transportation	49	11	60
Supply, Services, and Repair	297	107	404
General	713	207	920
Total	4874	1432	6306

* Includes people claiming no usual place of residence.

ALASKA

By Scott Hannigan

NONAGRICULTURAL EMPLOYMENT

Preliminary data for January, 1983 indicate a seasonal 2.2% decline in nonagricultural employment from December, 1982. Employment compared to a year ago, however, rose a respectable 7.5%. The over the month decline was led by a 12% drop in construction employment followed by a 2% decline in both mining and trade. Compared to January, 1982, all three industries demonstrated substantial growth, posting gains of 24% for construction, 13.5% for trade, and 9% for mining.

The manufacturing industry remained stable with no change in employment from December to January, but continued to be below year ago levels. Manufacturing was the only industry showing no improvement over the prior January.

Total government declined approximately 2% from December to January with local government losing slightly more than either state or federal government. From January, 1982 to January, 1983, total government was up 5%. Local government increased the most gaining over 6%.

The transportation, communication and public utilities industry was the only gainer from December to January with a 1% upswing. This modest rise was led by the water transportation component and utilities. Air transportation remained steady from month to month and trucking and warehousing declined approximately 4%.

The service industry and finance, insurance and real estate registered slight declines of 1% from December figures. Service and finance, insurance and real estate made healthy gains over January, 1982 advancing 6 and 7%, respectively.

UNEMPLOYMENT

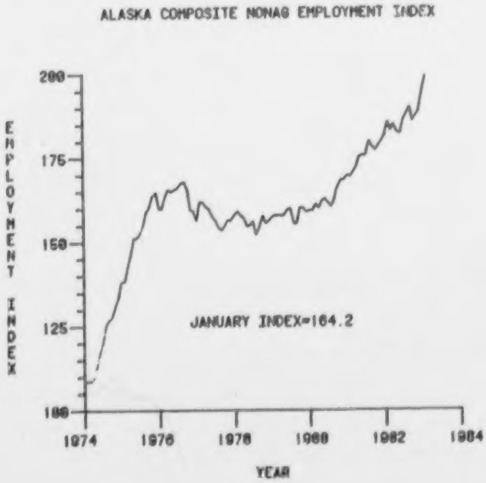
The Alaska January, 1983 unemployment rate was 12.3%, up 1.7 percentage points from a revised December rate of 10.6%. The unemployment rate in January, 1982 was 11.9%.

Although the number of employed persons increased some 6% over the year (169,587 to 179,583), the number of unemployed has also increased from 22,824 in January, 1982 to 25,262 in January, 1983. A larger working population means that more people are subject to seasonal layoffs.

ANNUAL REVISION OF NONAGRICULTURAL EMPLOYMENT ESTIMATES

Each year nonagricultural employment estimates are revised during January in a process referred to as "benchmarking". The most accurate source of employment information is an actual count based on unemployment insurance tax reports made by employers. These data, summarized in a Department of Labor report referred to as the "ES-202", are normally available six to nine months after the month for which employment is counted. The sample-based estimates which appear in *Alaska Economic Trends* are less accurate than the ES-202 counts, but are available one month after the month estimated. Each January the newly available ES-202 data replace the corresponding estimates. The remaining estimates are then "benchmarked" meaning that they are revised on the basis of the ES-202 data. Details of this process are available upon request from Research and Analysis.

Two aspects of benchmarking should be noted. New ES-202

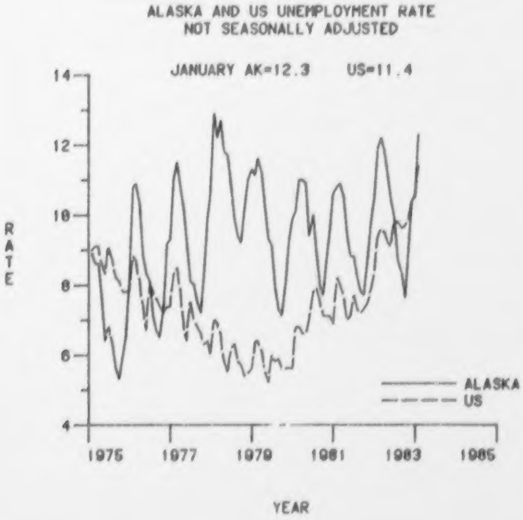


data were not available in Alaska in January 1982, due to a major computer program conversion. For this reason, the benchmark which was done in January, 1983 used ES-202 data covering July, 1980 through June, 1981.

A second point is the effect benchmarking has on employment time series. Estimates previously published for the period from July 1980 through December 1982 are no longer the best estimates. The revised benchmark estimates are published in this issue. Readers should make sure to use the new benchmark estimates that are noted as having a benchmark date of March 1981 for year 1980 through 1982 estimates. Questions concerning the annual benchmark revision of employment estimates are welcome, and may be addressed to Chris Miller at Research and Analysis.

INDUSTRY COMPOSITION OF NONAGRICULTURAL EMPLOYMENT

A review of nonagricultural employment data for the years 1980 to 1982 indicates some alterations in the industry composition of Alaskan jobs. Historically, the dominant industry in Alaska has been the government sector—federal, state, and



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	R/		CHANGES FROM:	
	1/83	**12/82**	**1/82**	**12/82**	**1/82**
Nonag. Wage & Salary	191900	196300	178500	-4400	13400
Mining	9300	9500	8500	-200	800
Construction	12800	14600	10300	-1800	2500
Manufacturing	7200	7200	8200	0	-1000
Food & Kindred Prod.	2800	2800	3400	0	-600
Lumber & Paper Prod.	1900	1900	2300	0	-400
All Other Mfg.	2500	2500	2500	0	0
Trans. Comm. & Util.	18300	18200	17300	100	1000
Trucking & Whseing	2500	2600	2500	-100	0
Water Transportation	1300	1200	1000	100	300
Air Transportation	5500	5500	5300	0	200
Other Transportation Comm. & Utilities	9000	8900	8500	100	500
Trade	37100	37900	32700	-800	4400
Wholesale Trade	7300	7300	6700	0	600
Retail Trade	29800	30600	26000	-800	3800
Gen. Merchandise & Apparel	4600	5000	3900	-400	700
Food Stores	4900	4900	4300	0	600
Eating & Drinking Places	9800	10100	8900	-300	900
Other Retail Trade	10500	10600	8900	-100	1600
Finance-Ins. & R. Estate	9400	9500	8900	-100	500
Services & Misc.	35000	35500	32700	-500	2300
Government	62800	63900	59900	-1100	2900
Federal Government	18000	18300	17600	-300	400
State Government	18100	18400	17200	-300	900
Local Government	26700	27200	25100	-500	1600

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

local. In 1982 government encompassed 31% of total nonagricultural employment in the state. However, the growth and importance of several other industries in the Alaska economy can be seen.

Total nonagricultural employment rose 15% during the three year period 1980-1982. The mining and construction industries each gained 38% during this period. Mining accounted for a little under 4% of total employment in 1980 and that share increased to near 5% in 1982. Construction climbed from 6 to 7.5%.

Substantial advances have also occurred in trade, services, and finance. Employment in the trade industry grew by 22% from 1980-1982; services and finance each by approximately 17%. Trade industry employment equalled 18% of total employment in 1982 versus 17% in 1982. Services held 18% and finance approximately 5% of all employment in 1982, up slightly from 1980.

Employment in transportation, communication and utilities went up 7% in three years. However, as a percent of total employment, transportation moved down from 10% in 1980 to 9.4% in 1983.

The largest decline in terms of both its own employment and relationship to total employment has been the troubled manufacturing industry (composed primarily of fish processing and wood processing). Manufacturing employment dropped 21% from 1980-1982. In 1980, manufacturing accounted for 8% of total employment slipping to under 6% by 1982.

ANCHORAGE-MATSU

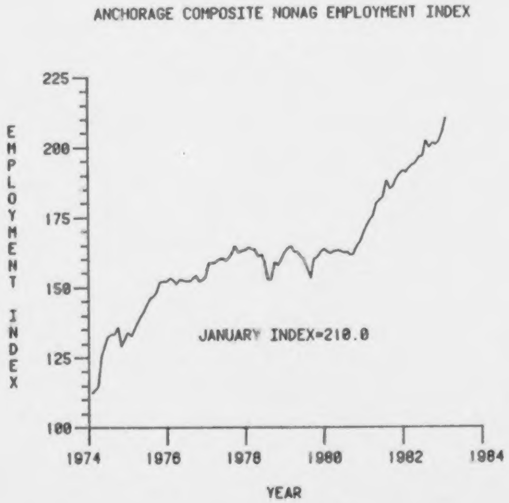
By Greg Huff

LABOR FORCE

The unemployment rate for the Anchorage-MatSu region rose sharply in January to 9.2%. The increase was basically seasonal in nature resulting from layoffs in a wide spectrum of private businesses and government. However, the largest share of layoffs was concentrated in the construction industry, which typically happens at this time of the year. Christmas season layoffs in the wholesale and retail trade and service industries also contributed to the increase in the unemployment rate. In all 9,891 workers were unemployed in January (861 additional workers over last month).

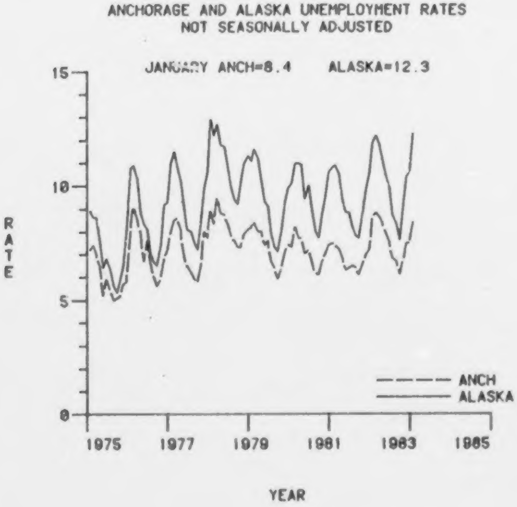
NONAGRICULTURAL EMPLOYMENT

High interest rates continue to make it economical to build in the winter. Competition for builders to get their buildings completed and filled also adds to the incentive to "winter build". The new trend in "winter-construction", which became



very apparent during the 1981-1982 winter, has been the major factor influencing the healthy "off-season" stability in employment. Because construction affects many other sectors of the economy (for example—transportation, wholesale trade and manufacturing) the use of "winter construction technologies" which enable projects to continue through the winter has a wide-spread effect on employment. Another cause of increased seasonal employment stability in Anchorage has been the long term trend of economic maturation from a railroad construction camp to Alaska's economic capital.

Over the past two winter construction seasons (1981-82 and 1982-83) the record breaking amount of construction activity has contributed greatly to the abnormal seasonal behavior. The level of construction activity is not expected to continue at this high level beyond the close of 1983. During the past two years the continuation of residential and commercial projects through the winter has contributed to the leveling of seasonal construction layoffs. Although the economy may never be as seasonal as in the past, when the present level of winter construction activity slows, seasonal unemployment will grow.


ANCHORAGE AND ALASKA UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/ 1/83	R/ 12/82	1/82	CHANGES FROM: 12/82	1/82
Nonag. Wage & Salary	95750	97500	87000	-1750	8750
Mining	3650	3700	3650	-50	0
Construction	6300	7250	5250	-950	1050
Manufacturing	1900	2050	1800	-150	100
Food & Kindred Prod.	250	250	250	0	0
Other Mfg.	1650	1800	1550	-150	100
Trans. Comm. & Util.	8800	9000	8100	-200	700
Trucking & Whseing.	1350	1400	1250	-50	100
Water Transportation	300	250	200	50	100
Air Transportation	3100	3300	3050	-200	50
Other Transportation Comm. & Utilities	4050	4050	3600	0	450
Trade	23400	23650	19950	-250	3450
Wholesale Trade	5250	5350	4950	-100	300
Retail Trade	18150	18300	15000	-150	3150
Gen. Merchandise	1800	1950	1700	-150	100
Food Stores	2400	2400	2000	0	400
Eating & Drinking Places	6700	6700	5400	0	1300
Other Retail Trade	7250	7250	5900	0	1350
Finance-Ins. & R. Estate	6100	6200	5600	-100	500
Services & Misc.	20000	20200	18550	-200	1450
Government	25600	25450	24100	150	1500
Federal	9650	9900	9650	-250	0
State	6400	6450	5950	-50	450
Local	9550	9100	8500	450	1050

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
ANCHORAGE-MATSU

	P/	R/		CHANGES FROM:	
	1/83	12/82	1/82	12/82	1/82
Nonag. Wage & Salary......	100100	101600	90750	-1500	9350
Mining	3750	3850	3700	-100	50
Construction	6500	7450	5350	-950	1150
Manufacturing	2000	2050	1850	-50	150
Trans.-Comm. & Util.......	9150	9300	8450	-150	700
Trade	24300	24500	20750	-200	3550
Finance-Ins. & R. Estate ..	6300	6400	5750	-100	550
Services & Misc...........	21100	21300	19350	-200	1750
Government	27000	26750	25550	250	1450

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

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FAIRBANKS/INTERIOR

By Neal Fried

EMPLOYMENT OUTLOOK 1983

Employment will grow in most of Fairbanks' industries, though not quite as vigorously as it has during the past two years. Though no one project will be responsible for this growth, the major source of much of this stimulus will be oil revenues. These revenues will be funneled through state and local governments, loans, subsidies, and private contractors. Further stimulus will come from an active schedule on the North Slope and other basic industries such as the military.

LABOR FORCE

Though employment will grow in 1983, job seekers will continue to find an extremely competitive labor market. 1982's annual unemployment rate for Fairbanks was 14.2% (more than 4 points above the state rate). This rate is not expected to decline in 1983, because the number of job seekers probably will grow as rapidly as jobs and possibly more. The nation's jobless picture is not expected to improve and therefore the in-migration of job seekers will continue through the year. Though the unemployment statistics will not show any improvement, the fact that employment is growing will provide some additional people with work and also will help create job mobility among the already employed. The creation of additional job opportunities is a far better situation than a stagnant or declining labor force.

INDUSTRY PROFILE

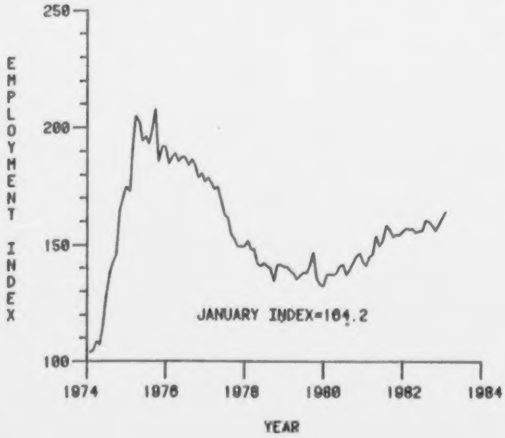
The construction industry has become one of the major beneficiaries of oil revenues. Since the 1981 record budget, public sector construction in Fairbanks has completely dominated the industry. Capital appropriations made in 1981 and in some cases earlier are still becoming brick and mortar today. A 1-2 year lag time is not unusual, so that capital projects presently underway may have had their origins a number of years ago.

It is apparent that with the projects that are already funded, Fairbanks will be experiencing a very busy construction season. The projects range from the $16.5 million expansion of the hospital to $15 million for work at the airport. The University library will be expanded at the tune of $9.5 million and work on a new $15 million high school in North Pole will begin along with the completion of three elementary schools. The North Star Borough will begin (with the Corp of Engineers) $5 million worth of work on the Chena Recreation area and the Tanana Valley Community College will be erecting the first building on their new campus. This is just a partial roll call of a long list of capital building projects that will get underway this year.

Highway construction may be somewhat slower this year unless funding for a number of projects is appropriated earlier this spring. The Alaska Power Authority, on the other hand, will begin work on the Power Intertie between Anchorage and Fairbanks. The northern portion of this intertie will begin in late spring or early summer. The cost of the northern section will be approximately $28 million.

Residential construction levels are more difficult to predict because it involves a large number of contractors, who in many cases have yet to firm up their plans for this year. If the present trend continues, there likely will be fewer houses built this year than in 1982. The market remains tight in the rental sector, but more is available in the home purchasing sector.

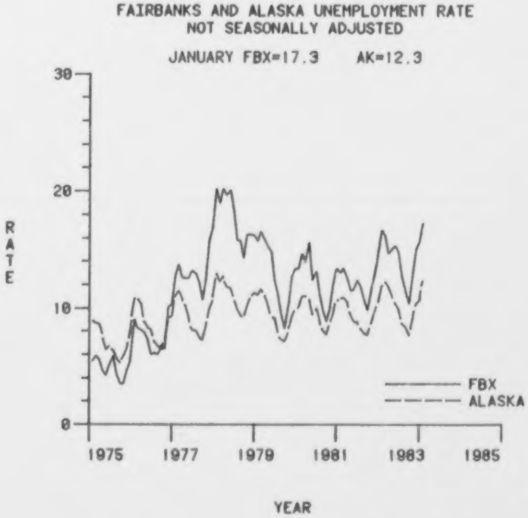
FAIRBANKS COMPOSITE NONAG EMPLOYMENT INDEX



Activity on the North Slope will remain strong in 1983 despite falling oil prices. Work on enhancing the recovery of oil, such as the water flooding project will be in full swing in 1983. This year's sealift will be double last year's volume. This translates into a continued strong demand for workers from the Fairbanks area. It will also keep suppliers of goods and services to the North Slope busy. An example of this is the establishment of new pipe yards in Fairbanks.

The national recession has put some damper on the outlook for tourism. Many industry observers expect this year's season not to be quite as robust as last year's experience. It is still too early to predict the season but the general consensus appears to be that there will be growth, just not as much as the past few years. By late April or early May it will be easier to assess this industry.

The employment outlook in government, Fairbanks' single largest industry, is not uniform. At the federal level, employment will remain stable but it could possibly inch up slightly because of increased troop strength at Eielson AFB. State employment is more difficult to estimate because there has been some pressure to keep a lid on employment because of falling oil



FAIRBANKS AND ALASKA UNEMPLOYMENT RATE
NOT SEASONALLY ADJUSTED

JANUARY FBX=17.3 AK=12.3

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

				CHANGES FROM:	
	P/	*R/*			
	1/83	**12/82**	**1/82**	**12/82**	**1/82**
Nonag. Wage & Salary	22750	23500	21800	-750	950
Mining	100	100	100	0	0
Construction	1500	1700	1450	-200	50
Manufacturing	400	400	400	0	0
Trans. Comm. & Util.	2700	2800	2600	-100	100
Trucking & Whseing	500	550	500	-50	0
Air Transportation	600	600	550	0	50
Other Trans. Comm. & Utilities	1600	1650	1550	-50	50
Trade	4450	4550	4200	-100	250
Wholesale Trade	850	850	850	0	0
Retail Trade	3600	3700	3350	-100	250
Gen. Merchandise & Apparel	450	500	400	-50	50
Food Stores	650	650	650	0	0
Other Retail Trade	2500	2550	2300	-50	200
Finance-Ins. & R. Estate	850	900	800	-50	50
Services & Misc.	4600	4650	4250	-50	350
Government	8150	8400	8000	-250	150
Federal	2350	2350	2250	0	100
State	3450	3700	3500	-250	-50
Local	2350	2350	2250	0	100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

revenues. On the local level, it appears there will be some growth, largely in the educational sector as the 3 newly constructed elementary schools are completed and staffed.

In response to the growth in the basic industries, the secondary industries such as trade, services and finance, insurance and real estate will also grow in 1983. Though the overall growth rate will slow down this year, Fairbanks' economy will provide more jobs, a trend far different from the nation's.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK INTERIOR

	P/	R/		CHANGES FROM:	
	1/83	**12/82**	**1/82**	**12/82**	**1/82**
Nonag. Wage & Salary......	26500	27200	25000	-700	1500
Mining	300	300	250	0	50
Construction	1750	2000	1550	-250	200
Manufacturing	450	450	450	0	0
Trans. Comm. & Util.	3500	3550	3400	-50	100
Trade	4700	4850	4300	-150	400
Finance-Ins. & R. Estate ..	900	950	850	-50	50
Services & Misc.	4900	5000	4650	-100	250
Government	10000	10100	9550	-100	450

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

GULF COAST

By Neal Fried

EMPLOYMENT OUTLOOK

With little dissension, forecasters are predicting growth in employment in the State in 1983. The Gulf Coast region will be no exception. Employment growth will vary throughout the region given the diversity of the communities' economies (Kodiak, Homer, Seward, Kenai, Soldotna, Valdez, Cordova, Glennallen etc.). Oil revenues which have fueled the vigorous growth over the past two years will again be the major source of stimulus in 1983. Though the stimulus is emanating from one source most industries will be affected.

LABOR FORCE

Despite this growth in employment, competition in the region's job market will remain very keen in 1983. The region's annual average unemployment rate in 1982 was 13.4% and it is unlikely that 1983's rate will waiver far from this. Though employment will grow, the number of jobless workers will grow as fast or more rapidly, keeping the rate high. This is compounded by the unemployment situation found elsewhere in most of the nation, which is not expected to improve soon. This in turn will mean the in-migration of job seekers will remain strong.

INDUSTRY PROFILE

The industry that appears to benefit most from the expenditure of oil revenues is the construction industry, via public capital projects. A large share of the capital project dollars are being funneled through the different local governments of the region, and many of these communities have ambitious construction projects planned for 1983. Though Valdez and Kodiak completed their port expansions in 1982, Homer, Seward and Cordova will be continuing their port expansions in 1983. Presently Homer is continuing work on their $10 million fish dock. Homer's number one priority capital improvement project for 1983 is to expand their boat harbor (triple its holding capacity at a cost of $16 million) later this year if the legislature provides funding. Cordova has completed dredging for their harbor expansion and they have just begun work on installing the pilings and floats, which they hope to have completed in

July of this year. Construction on Seward's Marine Industrial Park ship repair facility is continuing and will remain in full swing if additional funding is secured. After many years of negotiating, the Usibelli coal mine has signed a long term contract with Suneel of Korea. The coal will be shipped from Seward, which means port facilities will be built this year to handle the coal shipments.

Homer will be the busiest community in the region with capital projects. In addition to the port expansion, several other projects totaling over $14 million will be started this year. This will include work on area schools, highways, parks and the South Peninsula Hospital. If bonds are passed later this year, a new water line to the Homer Spit will be built. A number of other smaller capital projects will also get started this year or be

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NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK GULF COAST

	P/	R/		CHANGES FROM:	
	1/83	**12/82**	**1/82**	**12/82**	**1/82**
Nonag. Wage & Salary......	15200	15850	14800	-650	400
Mining	900	900	900	0	0
Construction	950	1300	750	-350	200
Manufacturing	1600	1600	2250	0	-650
Food & Kindred Prod......	900	900	1550	0	-650
All Other Mfg.	700	700	700	0	0
Trans. & Comm. & Util.....	2000	1950	1700	50	300
Trade	2450	2650	2250	-200	200
Wholesale Trade	400	450	350	-50	50
Retail Trade..............	2050	2200	1900	-150	150
Finance-Ins. & R. Estate ..	450	450	400	0	50
Services & Misc...........	2450	2600	2300	-150	150
Government	4400	4400	4250	0	150
Federal	550	550	500	0	50
State	1250	1250	1200	0	50
Local......................	2600	2600	2550	0	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

continued from last year in Homer.

The Kenai-Soldotna area has a number of continuing and planned construction projects this year. Among some of the continuations are the $7 million Central Peninsula Sports Center, expansion of the Central Peninsula General Hospital, expansion of the airport and completion of the new gymnasium in Kenai.

The largest planned project this year in the private sector is the $85 million expansion of the Tesoro refinery, pending negotiations with the state for additional supplies of North Slope crude. The peak construction work force on the project will be 250-300 (this will not be until 1984 if negotiations are successful) and the permanent addition to the refinery's work force will be approximately 25. A new elementary school will be built outside of Soldotna and a number of other schools will be expanding in response to growing enrollment. The City of Kenai also hopes to double the size of the airport's apron. Borough-wide the Kenai Peninsula Borough plans approximately $5.5 million in road construction.

The Terror Lake Dam Project, the single largest project in the region, will continue through 1983 with a peak work force of 250 workers. Residential construction in the region is difficult to estimate, but it will likely be similar to last year's experience.

The outlook for the region's largest private industry, fishing, is difficult to predict. This year's salmon season is projected to be better than average but below last year's bumper harvest. The shellfish catch is predicted to be a repeat of last year's terrible season at best and possibly slightly worse. The king crab and shrimp harvest will remain far below average catch levels. Though it is often more difficult to predict the fish harvest than the weather, given the information that is presently available, it appears that fishing employment will be slightly below last year's level.

Tourism, an industry particularly important to the region should on the whole experience a good year. Though the national recession has put some damper on tourism, the Kenai Peninsula relies very heavily on the Anchorage area for its source of tourists. With Anchorage's economy and population growing, a good tourist season can be expected (weather permitting).

Both the trade and service industries will be growing this year as a result of increasing demand from the local population. Some examples of this will be the opening up this year of a new

Safeway store, smaller retail outlets and restaurants. The expansion of the two hospitals are examples of the increased demand for services as the population grows and demands more health services. These industries will continue to grow, not only as a result of an increase in population, but also as the population spends a larger portion of this income in the local economy.

The outlook for employment in the government sector, the region's largest industry, is mixed. At the federal level, which has only a small presence in the region, employment will likely remain unchanged or possibly slightly lower. State employment is more difficult to predict because there has been some pressure to keep it from growing because of falling oil revenues. On the local level, employment is expected to grow, largely in the educational sector as newly-constructed schools or school expansions are staffed to meet larger school enrollment.

Many of the projects which have been discussed are being undertaken to either (1) keep pace with population growth, (2) provide additional services to the local population, or (3) help communities diversify their economies.

SOUTHEAST

By Kathryn Lizik

January's nonagricultural wage and salary employment displayed typical seasonal activity, decreasing 4% (1,150 jobs) from December of 1982. However, the total Southeast employment figure of 25,900 still reflects an over the year increase of 3% from January of 1982.

The three major industries contributing to the dip in January employment were manufacturing (down 20%, 550 jobs), trade (down 7%, 350 jobs) and construction (down 21%, 300 jobs). The only industry to experience an employment gain was government which increased by 150 jobs. This was due to the beginning of the state legislative session and the new spring semester for the University of Alaska.

Poor activity in the food processing and lumber sectors strongly contributed to the over the month decline in manufacturing. An extremely poor crabbing season pushed food processing employment down 30% (300 jobs). At the same time a continued slump in demand for wood products caused logging employment to drop 34% from December. Sawmill employment fell 26%. Both logging and sawmill employment experienced over the year decreases of 30% and 28%, respectively.

ANNUAL REVIEW

It is clear some growth took place in nonagricultural wage and salary employment in Southeast between 1980 and 1982. Average employment increased at about 450 jobs (1.6%) per year. Although all sectors of the seven major industries did not experience the same rates of growth, taken as a whole, Southeast has displayed a rather consistent albeit quiet employment picture.

Construction, a typically seasonal industry, showed some interesting growth patterns in 1982 with specialty trade employment up 43% in January compared to the same month a year before. However, building construction employment slowed down the latter half of 1982. With the capital move issue resolved following the November election, it is expected building construction employment should increase during 1983. On the whole, Southeast construction employment slowly climbed in 1982, settling on a total average figure of 1,600 compared to 1,200 in 1980.

Average manufacturing employment saw a three year decline from 5,100 jobs in 1980 to 3,700 in 1982. A major factor behind this drop has been the fall in demand for lumber and pulp products. Comparing the peak logging employment month of June for the years 1981 and 1982, employment fell 23%. Sawmill employment which usually peaks in July, was also lower by 18% when compared to the same month one year prior. Food and kindred products employment which consists primarily of seafood processing also contributed to the decline in total manufacturing. The combined effects of the botulism scare and lower runs of some seafood such as king crab and shrimp had a negative impact on the industry.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

				CHANGES FROM:	
	P/	R/			
	1/83	**12/82**	**1/82**	**12/82**	**1/82**
Nonag. Wage & Salary	25900	27050	25200	-1150	700
Construction	1150	1450	950	-300	200
Manufacturing	2150	2700	2500	-550	-350
Food & Kindred Prod.	700	1000	700	-300	0
Lumber & Paper Prod.	1250	1450	1600	-200	-350
All Other Mfg.	200	250	200	-50	0
Trans. Comm. & Util.	2100	2150	2300	-50	-200
Trade	4400	4750	3800	-350	600
Wholesale Trade	200	200	300	0	-100
Retail Trade	4200	4550	3500	-350	700
Finance-Ins. & R. Estate	1000	1000	950	0	50
Mining, Svcs. & Mics.	3350	3400	3300	-50	50
Government	11750	11600	11400	150	350
Federal	2350	2300	2250	50	100
State	5600	5450	5200	150	400
Local	3800	3850	3950	-50	-150

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

Transportation, communication and utilities employment has remained relatively stable since 1980, however, the late 1982 closure of the White Pass railroad in Skagway partially contributed to the 100 job drop in average employment over 1981.

HOURS AND EARNINGS

By Debbie Berggren

December's hours and earnings showed few changes over the month. Manufacturing experienced a 5% decrease in the average hourly wage due to a shift in employment. Food processing employment increased during December while lumber and paper products employment decreased, so that there were more lower paid workers. This lowered the average hourly wage.

Mining showed a 9% decrease in the average hourly wage, while the average weekly hours remained the same as November. The decrease was partly due to the seasonal layoff of higher paid workers in some firms.

APPENDIX
Revised Historical Data

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 12/82	r/ 11/82	12/81	p/ 12/82	r/ 11/82	12/81	p/ 12/82	r/ 11/82	12/81
MINING	$22.30	$24.49	$20.81	50.6	50.6	52.3	$1128.38	$1239.19	$1088.36
CONTRACT CONST.3/	23.34	24.31	22.24	43.2	39.0	44.4	1008.29	948.09	987.46
MANUFACTURING	14.49	15.24	12.57	34.2	32.5	34.1	495.56	495.30	428.64
Food & Kindred Prod.......	9.12	9.20	8.60	24.4	19.6	30.0	222.53	180.32	258.00
Lumber & Paper Prod......	16.90	16.79	15.37	42.7	39.5	35.3	721.63	663.21	542.56
TRANS., COMM. & UTIL.	14.50	14.71	14.97	37.8	38.4	36.7	548.10	564.86	549.40
TRADE	9.74	9.75	9.42	35.6	34.5	34.5	346.74	336.38	324.99
Wholesale Trade	11.18	11.31	11.43	38.3	37.4	37.4	428.19	422.99	427.48
Retail Trade.................	9.19	9.13	8.59	34.6	33.5	33.5	317.97	305.86	287.77
FINANCE, INS. & R.E.........	--	--	--	--	--	--	342.36	346.75	334.91

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Nonagricultural Wage and Salary Employment
By Place of Work
ALASKA
1980

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	153300	155800	158800	166000	171800	175100	179500	182300	182800	178300	172800	169800	170600
Mining	5900	5900	6000	6300	6400	6500	6900	6800	6900	7500	7300	7600	6700
Construction	6900	7100	7700	9000	10700	11700	13100	14300	14800	13100	10800	9000	10700
Manufacturing	8600	9900	10700	12700	14400	15500	21500	21300	17900	14000	12200	10800	14100
Food & Kind. Prod.	3700	4700	5000	6600	7800	8600	14500	14100	11100	7700	6500	5400	8000
Lum. & Paper Prod.	2500	2800	3200	3600	3900	4000	4100	4100	3700	3700	3200	2900	3500
All Other Mfg.	2400	2400	2500	2500	2700	2900	2900	3100	3100	2600	2500	2500	2700
Trans. Comm. & Util.	15800	16000	16300	16500	17100	18100	18200	18400	18200	17300	17000	17000	17200
Trucking & Whse.	1800	1800	1900	1900	1900	2000	2200	2200	2200	2200	2100	2200	2000
Water Trans.	1000	1100	1200	1300	1400	1700	1600	1700	1500	1400	1400	1400	1400
Air Transportation	4900	4900	5000	5000	5300	5600	5600	5600	5500	5100	5000	5000	5200
Other Trans. Comm. & Utilities	8100	8200	8200	8300	8500	8800	8800	8900	9000	8600	8500	8400	8500
Trade	27100	26300	26700	27700	28900	30100	31200	31400	31300	30600	30300	30300	29300
Wholesale Trade	5200	5100	5200	5300	5500	5600	5800	5800	5700	5800	5700	5800	5500
Retail Trade	21900	21200	21500	22400	23400	24500	25400	25600	25600	24800	24600	24500	23800
Gen. Merchandise & Apparel	4100	3900	3800	3900	4000	4400	4600	4700	4800	4500	4600	4700	4300
Food Stores	3500	3300	3400	3600	3700	3800	4000	4000	4000	3900	3800	3800	3700
Eating & Drinking Places	6900	7000	7300	7600	8100	8600	8700	8800	8700	8200	8100	7800	8000
Other Retail Trade ...	7400	7000	7000	7300	7600	7700	8100	8100	8100	8200	8100	8200	7700
Finance-Insurance & Real Estate	7900	7900	7900	8000	8100	8100	8400	8400	8300	8200	8100	8200	8100
Services & Misc.	27600	27800	28200	30100	30700	31200	31800	32300	31300	30600	30300	30100	30200
Government	53500	54900	55300	55700	55500	53900	48400	49400	54100	57500	56800	56800	54300
Federal Govt.	17500	17500	17500	18100	18300	18700	18600	18600	18500	17700	17400	17200	18000
State Government	14400	15300	15500	15300	14800	15200	15100	15300	15400	16400	16100	16100	15400
Local Government	21600	22100	22300	22300	22400	20000	14700	15500	20200	23400	23300	23500	20900

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
ALASKA
1981

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	162100	165900	171200	179800	185000	190600	200100	197100	193800	190100	185900	182900	183700
Mining	8100	8300	8500	8900	9100	9200	8800	8600	8400	8400	8400	8500	8600
Construction	8100	8300	9400	10900	12100	12900	15000	15800	16500	15700	13700	12100	12500
Manufacturing	8500	8700	10400	12700	14100	16700	22100	19300	14000	11100	9500	8400	13000
Food & Kind. Prod.	3900	4000	5200	6700	7500	9800	15500	13100	8100	5600	4400	3600	7300
Lum. & Paper Prod.	2300	2400	2800	3400	3800	4000	3700	3300	3000	2700	2500	2200	3000
All Other Mfg.	2300	2300	2400	2600	2800	2900	2900	2900	2900	2800	2600	2600	2700
Trans. Comm. & Util. ...	16500	16500	16900	17400	18200	18900	19400	19000	19300	18000	17700	17600	18000
Trucking & Whse.	2400	2300	2200	2500	2500	2500	2600	2500	2500	2400	2400	2500	2400
Water Trans.	1000	1000	1300	1200	1400	1500	1600	1600	1600	1300	1200	1000	1300
Air Transportation	4900	5000	5100	5400	5800	6200	6500	6300	6200	5700	5500	5400	5700
Other Trans. Comm. & Utilities	8200	8200	8300	8300	8500	8700	8700	8600	9000	8600	8600	8700	8500
Trade	29000	29200	29700	31600	32600	34000	34300	34200	34600	34500	34100	34100	32700
Wholesale Trade	5900	5900	6100	6200	6300	6600	6800	6700	6600	6600	6700	6800	6400
Retail Trade	23100	23300	23600	25400	26300	27400	27500	27500	28000	27900	27400	27300	26200
Gen. Merchandise & Apparel	4100	3900	3900	4100	4100	4300	4300	4200	4300	4300	4100	4300	4200
Food Stores	3600	3700	3800	4100	4200	4400	4300	4200	4400	4400	4400	4400	4200
Eating & Drinking Places	7600	7800	8000	8900	9300	9600	9700	9900	9800	9900	9700	9400	9100
Other Retail Trade ...	7800	7900	7900	8300	8700	9100	9200	9200	9500	9300	9200	9200	8800
Finance-Insurance & Real Estate	8200	8300	8400	8500	8700	8900	9000	9000	9000	8900	9000	9000	8700
Services & Misc.	29700	30400	31100	32300	32600	33900	34200	34100	34400	34200	33500	33100	32800
Government	54000	56200	56800	57500	57600	56100	57300	57100	57600	59300	60000	60100	57500
Federal Govt.	17200	17100	17100	17100	17300	18000	18400	18300	17600	17600	17700	17700	17600
State Government	14700	16200	16600	17000	16500	16700	17200	16500	17000	17500	17400	17600	16700
Local Government	22100	22900	23100	23400	23800	21400	21700	22300	23000	24200	24900	24800	23100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
ALASKA
1982

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	178500	177900	183700	187800	192100	201300	207200	209900	202300	199600	196000	196300	194400
Mining	8500	8700	8900	8800	8900	9600	9900	9800	9400	8800	8700	9500	9100
Construction	10300	10500	11500	13100	13900	15900	17400	17800	16700	17500	14900	14600	14500
Manufacturing	8200	7800	9200	9400	10800	14100	17900	18900	14100	9000	6800	7200	11100
Food & Kind. Prod.	3400	2900	4200	3700	4800	7700	12100	13200	8400	3700	2100	2800	5800
Lum. & Paper Prod. ...	2300	2400	2500	3100	3300	3500	2900	2800	2900	2500	2100	1900	2700
All Other Mfg.	2500	2500	2500	2600	2700	2900	2900	2900	2800	2800	2600	2500	2700
Trans. Comm. & Util. ...	17300	16900	17300	17500	18100	19500	19800	19700	19300	18300	18500	18200	18400
Trucking & Whse.	2500	2300	2600	2600	2500	2700	2700	2700	2700	2200	2600	2600	2600
Water Trans.	1000	1100	1100	1100	1200	1400	1500	1500	1500	1400	1400	1200	1300
Air Transportation	5300	5200	5200	5300	5600	6000	6300	6200	5800	5600	5600	5500	5600
Other Trans. Comm. & Utilities	8500	8300	8400	8500	8800	9400	9300	9300	9300	9100	8900	8900	8900
Trade	32700	32700	33300	34000	34900	36300	37000	37400	36800	37200	37700	37900	35700
Wholesale Trade	6700	6700	6800	7000	7000	7300	7400	7400	7300	7400	7300	7300	7100
Retail Trade	26000	26000	26500	27000	27900	29000	29600	30000	29500	29800	30400	30600	28500
Gen. Merchandise & Apparel	3900	3800	3800	3900	4000	4300	4500	4500	4300	4600	4600	5000	4300
Food Stores	4300	4300	4400	4200	4600	4700	4700	4700	4700	4900	4900	4900	4600
Eating & Drinking Places	8900	9200	9500	9900	10100	10500	10700	11100	10600	10200	10400	10100	10100
Other Retail Trade	8900	8700	8800	9000	9200	9500	9700	9700	9900	10100	10500	10600	9600
Finance-Insurance & Real Estate	8900	9000	9000	9200	9500	9800	9900	9600	9500	9700	9600	9500	9400
Services & Misc.	32700	32900	33400	34200	34500	36300	36500	37000	35600	35600	35800	35500	35000
Government	59900	59400	61100	61600	61500	59800	58800	59700	60900	63500	64000	63900	61200
Federal Govt.	17600	17500	17300	17400	17700	18000	18300	18400	18100	17900	18200	18300	17900
State Government	17200	17500	17800	18000	17500	17400	17200	17700	18700	18700	18600	18400	17900
Local Government ...	25100	24400	26000	26200	26300	24400	23300	23600	24100	26900	27200	27200	25400

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
ANCHORAGE
1980

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	74000	74000	75250	76800	78300	80400	81050	82000	81900	81700	80450	80300	78800
Mining	2350	2450	2500	2500	2500	2450	2950	2900	2900	2750	2750	2900	2700
Construction	4100	4200	4300	5050	5900	6300	6850	7300	7450	5350	4400	3950	5400
Manufacturing	1450	1400	1450	1550	1650	1900	2700	2500	2400	1900	1750	1750	1900
Food & Kind. Prod.	250	250	250	300	300	400	800	550	400	350	300	300	400
Other Mfg.	1200	1150	1200	1250	1350	1500	1900	1950	2000	1550	1450	1450	1500
Trans. Comm. & Util. ...	7650	7750	8000	7650	7850	8200	8300	8350	8250	8000	7900	7900	8000
Trucking & Whse.	950	950	1000	1000	1050	1050	1150	1200	1150	1200	1150	1250	1100
Water Trans.	200	250	300	350	350	400	350	350	300	250	300	200	300
Air Transportation	3100	3100	3200	2800	2900	3050	3050	3050	3000	2950	2900	2900	3000
Other Trans. Comm. & Utilities	3400	3450	3500	3500	3550	3700	3750	3750	3800	3600	3550	3550	3600
Trade	15850	15400	15550	16100	16550	16900	17300	17550	17650	17750	17850	18000	16900
Wholesale Trade	3800	3750	3800	4000	4000	4050	4200	4250	4250	4350	4350	4400	4100
Retail Trade	12050	11650	11750	12100	12550	12850	13100	13300	13400	13400	13500	13600	12800
Gen. Merchandise ...	1700	1600	1600	1650	1650	1700	1700	1750	1750	1850	1900	1950	1700
Food Stores	1650	1550	1600	1650	1700	1700	1600	1650	1700	1700	1700	1750	1700
Eating & Drinking Places	4000	4100	4200	4300	4500	4750	4700	4750	4700	4700	4700	4600	4500
Other Retail Trade ...	4700	4400	4350	4500	4700	4700	5100	5150	5250	5150	5200	5300	4900
Finance-Insurance & Real Estate	5200	5200	5250	5200	5200	5250	5300	5250	5250	5250	5250	5250	5200
Services & Misc.	15450	15400	15800	16750	16800	17250	17400	17700	17350	17600	17550	17400	16900
Government	21950	22200	22400	22000	21850	22150	20250	20450	20650	23100	23000	23150	21900
Federal	9950	9900	9900	9600	9700	10000	10050	10000	9850	9650	9600	9550	9800
State	4650	4900	5000	4950	4650	4750	4850	4950	5000	5350	5350	5400	5000
Local	7350	7400	7500	7450	7500	7400	5350	5500	5800	8100	8050	8200	7100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
ANCHORAGE
1981

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	78500	79550	81000	84500	86750	89350	92500	93000	93300	93100	91650	90250	87800
Mining	3150	3200	3200	3600	3650	3700	3600	3550	3500	3600	3650	3650	3500
Construction	3600	3550	3950	4800	5700	6400	7400	8350	8750	8650	7400	6350	6200
Manufacturing	1550	1600	1650	2000	2250	2350	2600	2350	2100	1950	1850	1750	2000
Food & Kind. Prod.	250	250	250	400	500	550	800	600	350	200	200	200	400
Other Mfg.	1300	1350	1400	1600	1750	1800	1800	1750	1750	1750	1650	1550	1600
Trans. Comm. & Util. ...	7750	7700	7700	8100	8400	8750	9000	9150	9100	8800	8600	8450	8500
Trucking & Whse.	1250	1200	1150	1250	1250	1250	1400	1450	1450	1350	1300	1300	1300
Water Trans.	200	200	250	250	400	300	250	300	300	250	250	200	300
Air Transportation	2900	2900	2900	3150	3300	3650	3750	3700	3550	3400	3350	3300	3300
Other Trans. Comm. & Utilities	3400	3400	3400	3450	3450	3550	3600	3700	3800	3800	3700	3650	3600
Trade	17550	17550	17850	18650	19200	19750	20050	20150	20450	20600	20700	20900	19500
Wholesale Trade	4500	4500	4700	4600	4700	4850	4950	5000	5050	5100	5100	5100	4800
Retail Trade	13050	13050	13150	14050	14500	14900	15100	15150	15400	15500	15600	15800	14600
Gen. Merchandise ...	1700	1600	1550	1600	1600	1650	1700	1700	1800	1800	1850	1950	1700
Food Stores	1600	1600	1650	1850	1900	1950	1950	1900	1950	2000	2050	2050	1900
Eating & Drinking Places	4700	4800	4900	5250	5400	5500	5550	5600	5600	5600	5550	5500	5300
Other Retail Trade ...	5050	5050	5050	5350	5600	5800	5900	5950	6050	6100	6150	6300	5700
Finance-Insurance & Real Estate.	5200	5300	5350	5500	5600	5750	5850	5900	5850	5800	5800	5750	5600
Services & Misc.	17250	17600	18200	18600	18750	19450	19850	20000	19800	19700	19400	19200	19000
Government	22450	23050	23100	23250	23200	23200	24150	23550	23750	24000	24250	24200	23500
Federal	9550	9450	9400	9400	9550	9800	10000	10050	9800	9800	9800	9750	9700
State	4750	5400	5550	5650	5400	5500	5650	5450	5550	5900	6000	6000	5600
Local	8150	8200	8150	8200	8250	7900	8500	8050	8400	8300	8450	8450	8300

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
ANCHORAGE
1982

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	87000	87850	89100	91450	94450	97050	100200	101050	101300	99750	97600	97500	95350
Mining ...	3650	3850	3900	3900	3950	4000	4050	4050	3900	3750	3700	3700	3900
Construction ...	5250	5450	6000	6700	7900	8800	9650	9950	10000	9600	7750	7250	7900
Manufacturing ...	1800	1800	1850	2050	2300	2600	3000	2800	2550	2300	2050	2050	2300
Food & Kind. Prod. ...	250	250	250	400	450	550	850	600	400	250	250	250	400
Other Mfg. ...	1550	1550	1600	1650	1850	2050	2150	2200	2150	2050	1800	1800	1900
Trans. Comm. & Util. ...	8100	8150	8300	8650	9050	9250	9600	9650	9550	9250	9100	9000	9000
Trucking & Whse. ...	1250	1200	1250	1300	1350	1350	1450	1550	1500	1400	1400	1400	1400
Water Trans. ...	200	200	250	300	400	300	350	350	350	300	300	250	300
Air Transportation ...	3050	3150	3200	3450	3600	3700	3800	3700	3550	3400	3350	3300	3400
Other Trans. Comm. & Utilities ...	3600	3600	3600	3600	3700	3900	4000	4050	4150	4150	4050	4050	3900
Trade ...	19950	19700	19850	20300	20950	21600	22250	22550	22800	22950	23100	23650	21600
Wholesale Trade ...	4950	5000	5050	5100	5200	5300	5400	5450	5450	5450	5250	5350	5200
Retail Trade ...	15000	14700	14800	15200	15750	16300	16850	17100	17350	17500	17850	18300	16400
Gen. Merchandise ...	1700	1600	1600	1650	1650	1700	1700	1750	1800	1800	1850	1950	1700
Food Stores ...	2000	2000	2000	2100	2100	2150	2200	2200	2250	2300	2350	2400	2200
Eating & Drinking Places ...	5400	5400	5500	5600	5850	6100	6300	6450	6650	6700	6700	6700	6100
Other Retail Trade ...	5900	5700	5700	5850	6150	6350	6650	6700	6650	6700	6950	7250	6400
Finance-Insurance & Real Estate ...	5600	5600	5650	5750	6000	6200	6300	6350	6300	6300	6150	6200	6000
Services & Misc. ...	18550	18900	19150	19500	19950	20250	20700	20900	20650	20050	20200	20200	19900
Government ...	24100	24400	24400	24600	24350	24350	24650	24800	25550	25550	25550	25450	24800
Federal ...	9650	9650	9450	9550	9750	10000	10150	10150	9950	9900	9900	9900	9850
State ...	5950	6200	6250	6300	5900	6000	5850	6050	6450	6550	6400	6450	6200
Local ...	8500	8550	8700	8750	8700	8350	8650	8600	9150	9100	9250	9100	8800

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
ANCHORAGE-MATSU
1980

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	77100	77300	78300	80050	81800	84200	84900	85800	85700	85450	84200	83900	82400
Mining	2400	2450	2500	2550	2550	2500	3050	3000	3000	2800	2800	2950	2700
Construction	4200	4300	4400	5200	6050	6550	7150	7600	7700	5550	4550	4100	5600
Manufacturing	1450	1450	1550	1600	1750	2100	2800	2600	2550	2100	2000	1950	2000
Trans. Comm. & Util. ...	8050	8100	8300	7950	8200	8600	8700	8750	8550	8450	8300	8200	8300
Trade	16550	16100	16200	16800	17350	17750	18300	18500	18600	18600	18700	18850	17700
Finance-Insurance & Real Estate	5300	5350	5350	5300	5350	5400	5450	5400	5400	5400	5400	5400	5400
Services & Misc.	16000	16050	16350	17350	17400	17850	18000	18300	18000	18150	18150	17950	17500
Government	23150	23500	23650	23300	23150	23450	21450	21650	21900	24400	24300	24500	23200

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

Nonagricultural Wage and Salary Employment
By Place of Work
ANCHORAGE-MATSU
1981

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	82100	83000	84500	87950	90300	93150	96050	97050	93500	96900	95400	94000	91200
Mining	3200	3250	3300	3700	3750	3800	3700	3700	3650	3700	3750	3750	3600
Construction	3750	3650	4050	4900	5900	6650	7500	8550	8900	8800	7550	6450	6400
Manufacturing	1700	1750	1800	2100	2300	2500	2800	2500	2300	2100	2000	1900	2100
Trans. Comm. & Util. ...	8150	8100	8100	8450	8750	9100	9350	9450	9400	9150	9000	8800	8800
Trade	18250	18250	18500	19350	19950	20500	20800	21000	17800	21400	21450	21700	19900
Finance-Insurance & Real Estate	5350	5400	5450	5600	5750	5900	5950	6000	5950	5900	5900	5850	5800
Services & Misc.	17850	18150	18800	19200	19300	20000	20450	20450	20550	20450	20050	19850	19600
Government	23850	24450	24500	24650	24600	24700	25500	25400	24950	25400	25700	25700	25000

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P	R		P	R		P	R		P	R	
	1/83	12/82	1/82	1/83	12/82	1/82	1/83	12/82	1/82	1/83	12/82	1/82
Alaska Statewide	204945	209602	192411	25262	22205	22824	12.3	10.6	11.9	179683	187397	169587
Anch.-MatSu Region	107550	109592	97282	9891	9030	9088	9.2	8.2	9.3	97659	100562	88194
Anchorage	96689	98677	87547	8080	7434	7526	8.4	7.5	8.6	88609	91243	80021
Matanuska-Susitna	10861	10915	9735	1811	1596	1562	16.7	14.6	16.0	9050	9319	8173
Gulf Coast Region	21735	21919	21081	4164	3351	3378	19.2	15.3	16.0	17571	18568	17703
Cordova	1112	1133	1109	171	139	161	15.4	12.3	14.5	941	994	948
Kenai	11355	11443	11040	2402	1982	2020	21.2	17.3	18.3	8953	9461	9020
Kodiak	4782	4793	4596	770	553	554	16.1	11.5	12.1	4012	4240	4042
Seward	1628	1626	1508	375	302	246	23.0	18.6	16.3	1253	1324	1262
Valdez	2858	2924	2828	446	375	397	15.6	12.8	14.0	2412	2549	2431
Interior Region	27298	28115	26017	4650	4361	4299	17.0	15.5	16.5	22648	23754	21718
Fairbanks	22315	22959	21231	3855	3597	3530	17.3	15.7	16.6	18460	19362	17701
Southeast Fairbanks	2115	2187	2098	263	245	322	12.4	11.2	15.3	1852	1942	1776
Upper Yukon	667	687	621	115	108	91	17.2	15.7	14.7	552	579	530
Yukon-Koyukuk	2201	2282	2067	417	411	356	18.9	18.0	17.2	1784	1871	1711
Northern Region	9674	10061	8830	867	850	771	9.0	8.4	8.7	8807	9211	8059
Barrow-North Slope	2559	2695	2346	183	210	172	7.2	7.8	7.3	2376	2485	2174
Kobuk	3007	3102	2766	274	243	265	9.1	7.8	9.6	2733	2859	2501
Nome	4108	4264	3718	410	397	334	10.0	9.3	9.0	3698	3867	3384
Southeast Region	29729	30304	29609	4722	3758	4223	15.9	12.4	14.3	25007	26546	25386
Angoon	409	416	400	78	65	64	19.1	15.6	16.0	331	351	336
Haines	1053	1092	1001	209	196	144	19.8	17.9	14.4	844	896	857
Juneau	10145	10583	10176	1067	946	962	10.5	8.9	9.5	9078	9637	9214
Ketchikan	6389	6415	6398	1129	831	1058	17.7	13.0	16.5	5260	5584	5340
Outer Ketchikan	886	849	912	266	191	283	30.0	22.5	31.0	620	658	629
Prince of Wales	1516	1446	1415	359	218	240	23.7	15.1	17.0	1157	1228	1175
Sitka	4153	4299	4246	486	406	523	11.7	9.4	12.3	3667	3893	3723
Skagway	1530	1531	1498	307	233	256	20.1	15.2	17.1	1223	1298	1242
Wrangell-Petersburg	3648	3673	3563	821	672	693	22.5	18.3	19.4	2827	3001	2870
Southwest Region	8959	9611	9592	968	855	1065	10.8	8.9	11.1	7991	8756	8527
Aleutian Islands	2322	2514	2488	149	133	169	6.4	5.3	6.8	2173	2381	2319
Bethel	2862	3074	3121	320	289	408	11.2	9.4	13.1	2542	2785	2713
Bristol Bay Borough	328	349	370	41	35	64	12.5	10.0	17.3	287	314	306
Bristol Bay	1184	1288	1279	111	112	134	9.4	8.7	10.5	1073	1176	1145
Kuskokwim	811	841	880	118	82	140	14.5	9.8	15.9	693	759	740
Wade Hampton	1452	1545	1454	229	204	150	15.8	13.2	10.3	1223	1341	1304

P/=Preliminary   1982 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

BEST AVAILABLE COPY

Nonagricultural Wage and Salary Employment
By Place of Work
ANCHORAGE-MATSU
1982

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	90750	91650	93150	95500	98200	101550	104450	105400	106000	104300	102150	101600	99600
Mining	3700	3950	4000	4000	4050	4200	4250	4300	4100	3900	3850	3850	4000
Construction	5350	5550	6150	6850	8100	9100	9900	10200	10250	9850	8250	7450	8100
Manufacturing	1850	1850	1900	2100	2400	2650	3050	2850	2650	2350	2050	2050	2300
Trans. Comm. & Util. ...	8450	8500	8700	9000	9250	9600	9950	10100	10000	9650	9400	9300	9300
Trade	20750	20500	20650	21100	21700	22450	23100	23300	23600	23800	24000	24500	22500
Finance-Insurance & Real Estate	5750	5750	5800	5900	6150	6350	6500	6500	6450	6450	6400	6400	6200
Services & Misc.	19350	19750	20000	20400	20650	21250	21700	21950	21950	21350	21350	21300	20900
Government...........	25550	25800	25950	26150	25900	25950	26000	26200	27000	26950	26850	26750	26300

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
FAIRBANKS
1980

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary	19300	19700	19800	20400	21400	21750	21500	21900	22800	22600	21750	20700	21100
Mining	0	0	0	50	50	50	100	100	50	50	50	50	0
Construction	950	950	1000	1100	1500	1700	2200	2350	2550	2200	1850	1150	1600
Manufacturing	600	650	700	700	750	800	450	500	500	450	450	450	600
Trans. Comm. & Util	2400	2400	2450	2550	2700	2850	2850	2800	2900	2600	2500	2400	2600
Trucking & Whse.	350	350	350	350	400	450	450	400	450	400	400	350	400
Air Transportation	550	550	550	650	700	700	700	650	650	600	550	550	600
Other Trans. Comm.& Utilities	1500	1500	1550	1550	1600	1700	1700	1750	1800	1600	1550	1500	1600
Trade	3500	3450	3500	3650	3850	4000	4250	4300	4150	4150	4000	4050	3900
Wholesale Trade	700	700	700	600	650	650	700	700	650	750	700	750	700
Retail Trade	2800	2750	2800	3050	3200	3350	3550	3600	3500	3400	3300	3300	3200
Gen. Merchandise & Apparel	350	350	350	350	350	400	400	450	400	400	400	450	400
Food Stores	550	550	550	500	550	550	700	700	650	650	600	550	600
Other Retail Trade	1900	1850	1900	2200	2300	2400	2450	2450	2450	2350	2300	2300	2200
Finance-Insurance & Real Estate	700	700	700	750	700	750	750	750	750	750	750	750	700
Services & Misc.	3800	3850	3800	4050	4150	4100	4300	4500	4350	4350	4200	4100	4100
Government	7350	7700	7650	7550	7700	7500	6600	6600	7550	8050	7950	7750	7500
Federal	2150	2100	2100	2200	2400	2450	2500	2450	2400	2350	2300	2200	2300
State	3050	3400	3350	3150	3050	3050	2950	3000	3000	3500	3450	3450	3200
Local	2150	2200	2200	2200	2250	2000	1150	1150	2150	2200	2200	2100	2000

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
FAIRBANKS
1981

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	19750	20550	20850	22350	22600	23250	24600	24450	24700	24000	23000	22550	22700
Mining	100	100	100	150	150	200	200	250	250	150	100	150	200
Construction	1050	1150	1250	1600	1750	2000	2600	2700	2750	2600	1950	1700	1900
Manufacturing	400	400	400	450	500	500	450	450	450	450	400	400	400
Trans. Comm. & Util. ...	2500	2450	2550	2650	2700	2900	2950	2900	2900	2750	2650	2650	2700
Trucking & Whse.	400	400	400	450	500	550	600	550	550	500	500	550	500
Air Transportation	600	550	600	650	650	650	650	650	600	600	600	600	600
Other Trans. Comm & Utilities	1500	1500	1550	1550	1550	1700	1700	1700	1750	1650	1550	1500	1600
Trade	3650	3750	3800	4200	4350	4350	4550	4500	4500	4300	4400	4350	4200
Wholesale Trade	700	700	700	750	800	800	850	800	850	800	800	850	800
Retail Trade	2950	3050	3100	3450	3550	3550	3700	3700	3650	3500	3600	3500	3400
Gen. Merchandise & Apparel	350	350	350	400	400	400	450	450	400	400	450	450	400
Food Stores	550	600	600	650	650	650	650	600	650	600	650	650	600
Other Retail Trade ...	2050	2100	2150	2400	2500	2500	2600	2650	2600	2500	2500	2400	2400
Finance-Insurance & Real Estate	750	750	800	800	850	850	850	850	850	850	850	850	800
Services & Misc.	4100	4100	4150	4500	4500	4700	4850	5050	4900	4600	4400	4300	4500
Government	7200	7850	7800	8000	7800	7750	8150	7750	8100	8300	8250	8150	7900
Federal	2200	2250	2200	2200	2250	2500	2600	2500	2350	2350	2350	2300	2300
State	2900	3450	3450	3550	3300	3350	3650	3350	3450	3600	3600	3550	3400
Local	2100	2150	2150	2250	2250	1900	1900	1900	2300	2350	2300	2300	2200

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
FAIRBANKS
1982

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	21800	22350	22400	22900	23650	23950	24950	24950	25400	24200	23600	23500	23600
Mining	100	100	100	150	150	200	250	200	200	150	150	100	200
Construction	1450	1400	1350	1450	1750	2000	2650	2750	2850	2450	1900	1700	2000
Manufacturing	400	400	400	400	400	400	400	400	400	400	400	400	400
Trans. Comm. & Util. ...	2600	2600	2650	2650	2800	2950	3000	2900	2850	2750	2700	2800	2800
Trucking & Whse.	500	500	500	450	500	600	600	550	550	350	350	550	500
Air Transportation	550	600	600	600	650	650	650	650	650	750	750	600	600
Other Trans. Comm. & Utilities	1550	1500	1550	1600	1650	1700	1750	1700	1650	1650	1600	1650	1600
Trade	4200	4100	4100	4300	4550	4700	4750	4650	4700	4200	4300	4550	4400
Wholesale Trade	850	850	800	800	850	850	850	850	900	850	850	850	800
Retail Trade	3350	3250	3300	3500	3700	3850	3900	3800	3800	3350	3450	3700	3600
Gen. Merchandise & Apparel	400	350	350	350	400	450	450	400	400	400	450	500	400
Food Stores	650	650	650	650	700	700	650	650	650	650	700	650	700
Other Retail Trade ...	2300	2250	2300	2500	2600	2700	2800	2750	2750	2300	2300	2550	2500
Finance-Insurance & Real Estate	800	850	850	850	850	850	950	950	900	900	800	900	900
Services & Misc.	4250	4400	4450	4550	4750	4850	5000	5150	5000	4800	4700	4650	4700
Government	8000	8500	8500	8550	8400	8000	7950	7950	8500	8550	8650	8400	8300
Federal	2250	2250	2250	2200	2250	2500	2500	2500	2350	2300	2400	2350	2300
State	3500	3650	3650	3700	3500	3350	3350	3350	3800	3900	3850	3700	3600
Local	2250	2600	2600	2650	2650	2150	2100	2100	2350	2350	2400	2350	2400

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
INTERIOR
1980

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	22150	22600	22650	23550	24750	25350	24700	25300	26350	25850	25100	23800	24300
Mining	100	100	100	150	200	200	250	250	250	200	200	150	200
Construction	1000	950	1000	1150	1600	1800	2300	2450	2600	2250	1950	1150	1700
Manufacturing	600	700	700	700	750	850	500	550	550	500	500	450	600
Trans. Comm. & Util. ...	3100	3150	3200	3300	3550	3650	3600	3650	3700	3400	3250	3200	3400
Trade	3650	3600	3650	3950	4100	4300	4550	4600	4500	4400	4300	4300	4200
Finance-Insurance & Real Estate	750	750	700	750	750	800	800	800	750	800	800	800	800
Services & Misc.	4100	4150	4100	4350	4400	4450	4700	4850	4700	4600	4500	4350	4400
Government	8850	9200	9200	9200	9400	9300	8000	8150	9300	9700	9600	9400	9100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
INTERIOR
1981

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	22450	23350	23650	25600	26150	26950	28150	28100	28600	27900	26500	25950	26100
Mining	200	200	200	350	400	450	450	450	450	350	300	250	300
Construction	1050	1200	1300	1600	1800	2000	2650	2750	2900	2750	2050	1850	2000
Manufacturing	450	450	450	500	550	550	550	500	500	500	450	450	500
Trans. Comm. & Util. ...	3200	3200	3250	3450	3550	3700	3800	3750	3800	3550	3400	3400	3500
Trade	3900	4000	4050	4600	4800	4900	5000	5000	5000	4900	4750	4700	4600
Finance-Insurance & Real Estate	800	800	850	850	900	900	900	950	900	950	950	950	900
Services & Misc.	4350	4400	4400	4900	4800	5050	5250	5450	5400	5050	4800	4700	4900
*Government	8500	9100	9150	9350	9350	9400	9550	9250	9650	9850	9800	9650	9400

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
INTERIOR
1982

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	25000	25500	25650	25850	26700	27350	28200	28450	29200	28600	27900	27200	27100
Mining	250	250	250	300	350	400	450	450	450	350	350	300	300
Construction	1550	1550	1550	1550	1750	2050	2800	2900	2900	2750	2150	2000	2100
Manufacturing	450	400	400	400	400	450	450	450	450	450	450	450	400
Trans. Comm. & Util. ...	3400	3350	3450	3400	3600	3800	3800	3800	3800	3900	3800	3550	3600
Trade	4300	4300	4300	4500	4700	4950	5000	5000	5000	4950	4950	4850	4700
Finance-Insurance & Real Estate	850	900	850	850	900	950	1000	1000	1000	900	900	950	900
Services & Misc.	4650	4750	4800	4800	5000	5200	5350	5400	5450	5050	5000	5000	5000
Government...........	9550	10000	10050	10050	10000	9550	9350	9450	10150	10250	10300	10100	9900

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
GULF COAST
1980

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	14200	14600	14800	15900	16900	16800	18400	19250	18250	17450	16350	15650	16500
Mining	800	750	750	850	850	850	900	900	1000	850	850	850	900
Construction	450	450	450	550	800	950	1200	1400	1550	2050	1350	1050	1000
Manufacturing	2650	3000	3050	3600	4100	4050	5950	6400	4500	3600	3450	3000	3900
Food & Kind. Prod.	1750	2100	2050	2650	3100	3050	4900	5350	3550	2700	2650	2250	3000
All Other Mfg.	900	900	1000	950	1000	1000	1050	1050	950	900	800	750	900
Trans. & Comm. & Utilities	1550	1650	1600	1650	1600	1600	1650	1700	1700	1600	1600	1650	1600
Trade	2100	1950	2000	2200	2400	2500	2550	2550	2500	2300	2300	2300	2300
Wholesale Trade	300	300	300	350	400	400	350	350	350	300	300	350	300
Retail Trade	1800	1650	1700	1850	2000	2100	2200	2200	2150	2000	2000	1950	2000
Finance-Ins. & Real Estate	400	400	400	400	400	450	450	450	450	400	400	400	400
Services & Misc.	2150	2150	2250	2350	2400	2500	2550	2500	2400	2200	2100	2050	2300
Government	4100	4250	4300	4300	4350	3900	3150	3350	4150	4450	4300	4350	4100
Federal	550	550	550	500	550	550	550	600	600	500	500	500	500
State	1050	1100	1150	1200	1200	1300	1300	1300	1350	1350	1250	1250	1200
Local	2500	2600	2600	2600	2600	2050	1300	1450	2200	2600	2550	2600	2300

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
GULF COAST
1981

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	13800	14200	14950	16900	17850	18100	19350	18650	17500	17050	16200	15600	16700
Mining	900	900	950	900	900	900	900	900	900	900	900	900	900
Construction	750	750	750	1050	1500	1250	1350	1350	1450	1400	1200	1000	1200
Manufacturing	2200	2000	2550	3550	3600	4350	5950	5100	3550	3300	2500	2300	3400
Food & Kind. Prod.	1400	1200	1750	2700	2750	3450	5050	4200	2700	2500	1750	1600	2600
All Other Mfg.	800	800	800	850	850	900	900	900	850	800	750	700	800
Trans. Comm. & Util. ...	1700	1750	1850	1850	1950	1800	1800	1800	1800	1750	1800	1750	1800
Trade	2100	2100	2100	2350	2450	2600	2650	2650	2600	2450	2350	2350	2400
Wholesale Trade	350	350	350	400	450	450	450	450	400	400	350	350	400
Retail Trade	1750	1750	1750	1950	2000	2150	2200	2200	2200	2050	2000	2000	2000
Finance-Insurance & Real Estate	400	400	400	400	450	450	450	450	450	450	450	400	400
Services & Misc.	2000	2050	2100	2300	2450	2500	2500	2600	2500	2450	2450	2400	2400
Government	3750	4250	4250	4500	4550	4250	3750	3800	4250	4350	4550	4500	4200
Federal	500	500	500	500	500	500	500	550	550	500	500	500	500
State	1150	1200	1250	1350	1350	1350	1350	1300	1350	1300	1300	1300	1300
Local	2100	2550	2500	2650	2700	2400	1900	1950	2350	2550	2750	2700	2400

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Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
GULF COAST
1982

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	14800	14750	15200	15500	16800	17700	19200	20000	18200	17250	15750	15850	16800
Mining	900	900	900	900	850	900	950	950	950	950	900	900	900
Construction	750	750	750	950	1300	1550	1600	1600	1950	1850	1300	1300	1300
Manufacturing	2250	2100	2350	2150	2850	3400	5050	5750	3300	2300	1600	1600	2900
Food & Kind. Prod.	1550	1400	1650	1400	2050	2550	4200	4950	2550	1550	850	900	2100
All Other Mfg.	700	700	700	750	800	850	850	800	750	750	750	700	800
Trans. Comm. & Util. ...	1700	1750	1750	1750	1750	1850	1900	1850	1950	1950	1850	1950	1800
Trade	2250	2200	2250	2350	2550	2650	2800	2750	2800	2700	2600	2650	2500
Wholesale Trade	350	300	350	400	450	450	450	450	450	450	400	450	400
Retail Trade	1900	1900	1900	1950	2100	2200	2350	2300	2350	2250	2200	2200	2100
Finance-Insurance & Real Estate	400	400	400	400	400	450	450	450	450	450	450	450	400
Services & Misc.	2300	2300	2350	2400	2500	2600	2600	2700	2550	2600	2500	2600	2500
Government	4250	4350	4450	4600	4600	4300	3850	3950	4250	4450	4550	4400	4300
Federal	500	500	500	500	500	500	500	500	500	500	500	550	500
State	1200	1200	1300	1350	1350	1300	1300	1350	1350	1350	1400	1250	1300
Local	2550	2650	2650	2750	2750	2500	2050	2100	2400	2600	2650	2600	2500

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
SOUTHEAST ALASKA
1980

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	23050	23850	24700	27500	28500	29100	29750	31000	31150	26950	25750	25600	27200
Construction	700	700	900	1150	1250	1450	1600	1650	1650	1350	1200	1000	1200
Manufacturing	2900	3250	3700	5050	5700	6250	7050	7850	7250	4450	3850	3600	5100
Food & Kind. Prod.	700	850	900	1900	2250	2700	3450	4200	4000	1150	1050	1050	2000
Lum. & Paper Prod.	2000	2200	2600	2950	3250	3350	3400	3400	3050	3050	2600	2350	2900
All Other Mfg.	200	200	200	200	200	200	200	250	200	250	200	200	200
Trans. Comm. & Util.	2050	2150	2200	2550	2600	2800	2750	2850	2900	2500	2400	2500	2500
Trade	3300	3250	3350	3350	3550	3900	3950	3950	3850	3650	3600	3600	3600
Wholesale Trade	350	300	350	300	300	350	350	350	350	300	300	300	300
Retail Trade	2950	2950	3000	3050	3250	3550	3600	3600	3500	3350	3300	3300	3300
Finance-Insurance & Real Estate	1050	1050	1050	1100	1100	1050	1050	1100	1100	1000	1050	1150	1100
Mining, Svcs. & Misc. ...	2900	3000	3000	3150	3300	3600	3500	3550	3550	3300	3100	3150	3300
Government	10150	10450	10500	11150	11000	10050	9850	10050	10850	10700	10550	10600	10500
Federal	2150	2250	2250	2900	2800	2850	2700	2800	2700	2300	2200	2200	2500
State	4550	4650	4700	4700	4650	4700	4700	4700	4750	4800	4700	4700	4700
Local	3450	3550	3550	3550	3550	2500	2450	2550	3400	3600	3650	3700	3300

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
SOUTHEAST ALASKA
1981

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	24500	24950	25750	27050	28350	29750	30900	31350	29450	27250	26350	26100	27600
Construction	900	1000	1100	1300	1400	1600	1950	2000	2200	1850	1500	1250	1500
Manufacturing	3200	3300	3650	4200	5000	5450	6500	6750	4400	3200	2950	2700	4300
Food & Kind. Prod.	1150	1200	1250	1250	1650	2000	3400	3950	1900	900	850	800	1700
Lum. & Paper Prod.	1850	1900	2200	2750	3150	3250	2900	2600	2300	2100	1900	1700	2400
All Other Mfg.	200	200	200	200	200	200	200	200	200	200	200	200	200
Trans. Comm. & Util.	2300	2250	2350	2350	2500	2700	2850	2850	2800	2550	2450	2500	2500
Trade	3400	3350	3400	3700	3900	4100	4100	4150	4200	4000	3950	4050	3900
Wholesale Trade	300	300	250	300	300	300	350	350	350	300	300	300	300
Retail Trade	3100	3050	3150	3400	3600	3800	3750	3800	3850	3700	3650	3750	3600
Finance-Insurance & Real Estate	1200	1250	1250	1150	1100	1050	1000	1000	1000	950	950	950	1100
Mining, Svcs. & Misc.	3000	3050	3050	3350	3400	3600	3700	3700	3700	3400	3250	3350	3400
Government	10500	10750	10950	11000	11050	11250	10800	10900	11150	11300	11300	11300	11000
Federal	2200	2150	2200	2250	2300	2400	2350	2350	2300	2350	2400	2400	2300
State	4750	4950	5050	5050	5050	5100	5000	4950	5100	5100	5000	5050	5000
Local	3550	3650	3700	3700	3700	3750	3450	3600	3750	3850	3900	3850	3700

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Benchmark Date March 1981

Nonagricultural Wage and Salary Employment
By Place of Work
SOUTHEAST ALASKA
1982

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
Nonag. Wage & Salary ...	25200	25550	26150	27850	28300	29600	30100	30450	31650	28300	26550	27050	28050
Construction	950	950	1000	1350	1550	1950	2000	2150	2350	2000	1500	1450	1600
Manufacturing	2500	2650	2850	4050	4050	4450	5000	5050	5500	3450	2400	2700	3700
Food & Kind. Prod.	700	700	750	1300	1250	1600	2400	2550	3150	1400	550	1000	1450
Lum. & Paper Prod. ...	1600	1750	1900	2500	2600	2650	2350	2250	2150	1850	1600	1450	2050
All Other Mfg.	200	200	200	250	200	200	250	250	200	200	250	250	200
Trans. Comm. & Util. ...	2300	2350	2400	2450	2550	2750	2700	2600	2600	2300	2200	2150	2450
Trade	3800	3800	3850	3900	4100	4300	4450	4500	4550	4350	4500	4750	4250
Wholesale Trade	300	300	250	250	300	300	350	350	250	200	300	200	300
Retail Trade	3500	3500	3600	3650	3800	4000	4100	4150	4300	4150	4200	4550	3950
Finance-Insurance & Real Estate	950	950	1000	1000	1000	1050	1050	1050	1150	1000	1000	1000	1000
Mining, Svcs. & Misc. ...	3300	3300	3350	3450	3500	3850	3950	4000	3800	3450	3500	3400	3550
Government	11400	11550	11700	11650	11550	11250	10950	11100	11700	11750	11450	11600	11450
Federal	2250	2250	2250	2250	2250	2250	2250	2250	2400	2450	2300	2300	2300
State	5200	5300	5400	5450	5350	5400	5250	5250	5550	5500	5300	5450	5350
Local	3950	4000	4050	3950	3950	3600	3450	3600	3750	3800	3850	3850	3800

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981

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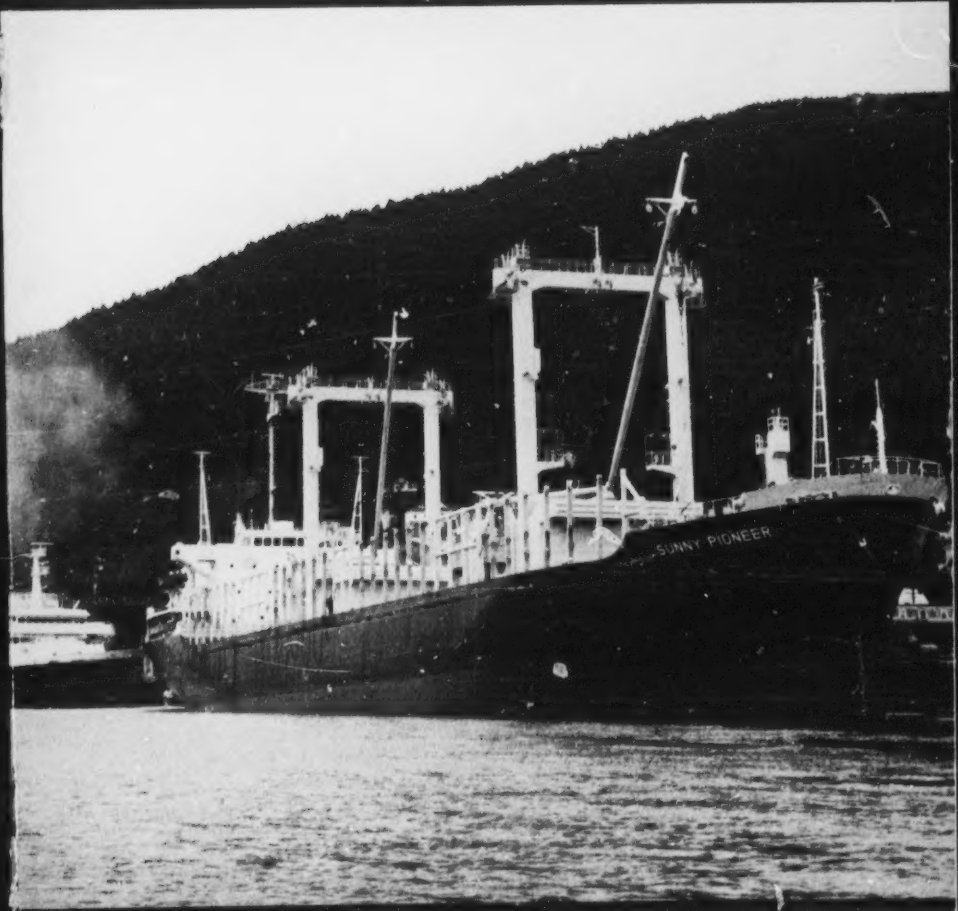
APRIL 1983

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska



1 The Jones Act

Outlook for Salmon Processing Down

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ALASKA ECONOMIC TRENDS

Bill Sheffield, Governor
State of Alaska

Jim Robison, Commissioner
Department of Labor

John E. Post, Director
Administrative Services

Chuck Caldwell, Chief
Research and Analysis

Chris Miller, Editor

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

April 1983
Volume 3
Issue 4

Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

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Cover Photo by USDA Forest Service

LABOR MARKET INFORMATION CONFERENCE

The Alaska Occupational Information Coordinating Committee and the Alaska Department of Labor, Research and Analysis Section, are co-sponsoring four Labor Market Information (LMI) Conferences this spring in Juneau, Anchorage, Fairbanks, and Kenai.

The conference will provide an overview and discussion of published and unpublished LMI data. Population information, occupational information and current employment and cost of living measures will be presented and be discussed at these two-day conferences.

Following are the tentative conference dates by location.

April 26, 27	Juneau
May 24, 25	Fairbanks
May 26, 27	Anchorage
June 1, 2	Kenai

For more information or preregistration contact:

Sally Saddler
Alaska Department of Labor
P.O. Box 1149
Juneau, Alaska 99802
(907) 465-4500

or

Neal Fried
Alaska Department of Labor
3301 Eagle Street
Anchorage, Alaska 99511
(907) 264-2400
Zenith Operator 9900

THE JONES ACT

By Sally Saddler

The final report of the Alaska Statehood Commission states that "repeal of the Jones Act will serve Alaska's and the nation's interest." In response to this recommendation, Alaska Senate Joint Resolution No. 13, of the thirteenth legislature, urges Congress to repeal this act.

THE JONES ACT

Section 27 of the Merchant Marine Act of 1920, commonly known as the Jones Act, regulates trade between American ports. Domestic trade is restricted to vessels built and registered in the United States, and owned and operated by Americans. Protection of domestic trade from foreign flag vessels has existed in various forms since late 1790 and is intended to promote and maintain a strong domestic merchant marine fleet. There are two underlying reasons for maintaining a domestic fleet.

- For the economic good of the nation (protection from "unfair" foreign competition)
- For the benefit of national security

Many, but not all, foreign countries restrict some form of merchant marine trade to national flag ships. European countries with relatively short coastlines do not widely restrict trade, but often institute financial aid and incentives to all segments of national shipping.

THE JONES ACT FLEET

According to the U.S. Maritime Administration, 326 of the 575 vessels in the Jones Act fleet accounted for 61% of all U.S. flag vessel tonnage in January 1982. Half of all vessels are tankers. Although nearly 30% of the U.S. fleet engaged in Jones Act trade operate in Alaska, these 94 vessels account for half of total U.S. tonnage. Ninety-four percent of Alaska's Jones Act fleet are tankers.

ALASKA EXEMPTIONS FROM THE JONES ACT

Foreign built, owned, and registered vessels can carry merchandise between the contiguous states and Alaska if the cargo moves for a short distance on a Canadian rail line. Alaska benefits from the fact that the Virgin Islands are exempt from the Jones Act; between 5 and 15% of Alaska oil shipments are made to a refinery in the Virgin Islands. The Virgin Islands are one of several islands in U.S. possession that are exempt from the Jones Act.

Laws affecting trade in coastal waters can be changed using administrative waivers and legislative exemptions which are occasionally granted to individual ships.

EFFECT OF THE JONES ACT ON ALASKA

Virtually every industry that imports or exports some type of good or service to the lower 48 is affected by the Jones Act. Capital costs of building U.S. flag vessels are estimated to be twice as high as their foreign flag counterparts due to the combined effect of relatively high U.S. labor costs, low productivity, and lack of competition as a cost reducing incentive. Costs in manning U.S. flag vessels are also estimated to be twice as high as foreign counterparts due to high labor costs. Additionally, high labor costs increase the cost of vessel maintenance and repair which must be made in the U.S.

According to the Alaska Statehood Commission report, the Jones Act burdens Alaska in several ways.

- Reduces state oil revenues by increasing transportation costs; state revenues which depend upon the well-head price of oil would increase if transportation costs decreased.
- Discourages development of new oil fields and mineral deposits by increasing the costs of getting products to market.
- Increases the cost of domestic freight entering Alaska making virtually all consumption of goods and services higher priced than without the Jones Act.

REPEAL OF THE JONES ACT

In a report prepared for the Alaska Statehood Commission, Simat, Helliesen and Eichmer, Inc. states "crude oil shipments from Valdez. . .accounted for 89.5% of Alaska's total port activity in 1979." The oil industry could be especially affected by the Jones Act due to oil dominance of Alaska's waterborne commerce. However, foregone state revenue may actually be the result of the Export Administration Act of 1979 and the Transalaska Pipeline Authorization Act of 1973 which effectively ban export of North Slope oil to foreign countries. If export were permitted, Alaska oil, currently shipped to the U.S. Gulf and East coasts, would probably be exported to Japan and other Pacific Rim markets. Should this occur, the Jones Act would not affect Alaska oil shipments outside the U.S.

Crude oil producers own or charter the Alaska oil tankers and are committed to pay off high transportation investment costs. As a result, transportation costs would not immediately fall upon repeal of the Jones Act. Additionally, Arlon Tussing reports the incentive for oil producers to seek transportation cost reductions is "weak because the combination of royalties and severance taxes, 'windfall profits' taxes, and federal and state income taxes leave the producers less than 10% of any increase in well-head prices stemming from lower ocean transport costs".

The extent to which the Jones Act discourages development of new oil fields and mineral deposits is difficult to measure and affects only those resources that would be shipped to U.S. ports. High transportation costs to the U.S. tend to make foreign markets more attractive for Alaska products.

An undisputable transportation cost penalty disproportionately affects Alaska to the extent that we rely more heavily on water transportation than most of the U.S. (Development of alternate transportation modes in the rest of the U.S. may have been boosted by high costs imposed by the Jones Act.) However, it is difficult to measure the impact of transportation costs on general merchandise imports (excluding crude oil, Alaska's exports to the U.S. are minor).

Arlon Tussing states that "the methods by which shippers could circumvent Jones Act cost penalties are virtually unexploited" and, that this supports the contention that "these penalties are insignificant".

Repeal of the Jones Act may reduce transportation costs if foreign owned and operated vessels enter the Alaska market. Outright repeal would displace both Alaska and U.S. employment. Use of foreign built vessels owned and operated by the U.S. could reduce transportation costs to Alaska consumers while protecting both Alaska and U.S. water transportation related employment.

MISCELLANEOUS ISSUES

The Alaska Statehood Commission failed to address the impact of the Jones Act on the Alaska Marine Highway Transportation System. Use of foreign built vessels is prohibited. If allowed, Alaska could save half the acquisition cost of new ferries.

Repeal of the Jones Act could increase the number of tourships to Alaska. Increased tourism on foreign ships would indirectly contribute to local Alaska economies. Repeal would not guarantee an increase since the volume of passengers depends upon various factors including marketing strategies, the condition of the national economy, and foreign exchange rates. Since many tours originate in California, further study would be required to determine whether foreign tourships currently operating in Alaska abide by the Jones Act provisions that prohibit carrying passengers between U.S. ports.

Current national sentiment that Alaska has excessive oil wealth could increase the difficulty of repealing the Jones Act particularly on the basis of cost penalties to Alaskans. An amendment to the Jones Act to allow foreign built vessels to be owned and operated between U.S. ports holds more promise. U.S. shipbuilders would be most affected by this amendment, in addition to that portion of nonagricultural employment related to construction of Jones Act fleets. Employment related to the construction of non-Jones Act vessels would not be affected so that the U.S. shipbuilding capacity would be preserved for the benefit of national security.

ALASKA

By Brit Harvey

NONAGRICULTURAL EMPLOYMENT

Alaska nonagricultural wage and salary employment increased during February by 0.6% to 192,900. Seasonally adjusted, there was no change during February, as the Composite Nonagricultural Employment Index remained at 198.5. The February total indicates that the Alaska economy reached its seasonal low in January, and is beginning once again to add jobs. The rapid seasonally adjusted growth which occurred in December and January did not continue into February.

At the industry level there were few significant changes in February. Seafood processing increased employment by 700 jobs. This resulted from the winding down of the disastrous king crab season and a switchover to tanner crab, where catches have been more normal. Lumber and paper also registered a small increase.

In general, Alaska's economy appears to be continuing to grow this winter when seasonal factors are discounted. The slowdown in growth forecast by most observers has yet to occur. The preliminary February estimates indicate that employment is up 8.4% compared to February of last year.

SALMON OUTLOOK

Salmon processing is a major contributor to employment during the summer in Alaska coastal communities. Employment is primarily a function of catch volume. While salmon prices are important to harvesters and processing companies, processing employment is not strongly influenced by prices, at least in the short-run.

In recent years, particularly 1981 and 1982, Alaska Department of Fish and Game harvest projections have varied substantially from eventual harvests. For 1983 the forecasted salmon harvest is approximately 95,000,000 fish. If this size harvest is realized, it would be smaller than any of the past three years. Employment in fish processing might also be expected to be correspondingly smaller, peaking in late summer at about 11,500 to 12,000, assuming no changes in other summer fisheries harvests.

1980 CENSUS LABOR FORCE DATA

The labor force data presented monthly in this publication are derived from a sample household survey and unemployment insurance claim data. While these data are timely, they are limited in scope and are subject to statistical

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/ 2/83	R/ 1/83	2/82	CHANGES FROM: 1/83	 2/82
Nonag. Wage & Salary......	192900	191700	177900	1200	15000
Mining	9400	9400	8700	0	700
Construction	12500	12600	10500	-100	2000
Manufacturing	7600	6700	7800	900	-200
Food & Kindred Prod.....	3200	2500	2900	700	300
Lumber & Paper Prod....	1800	1600	2400	200	-600
All Other Mfg.	2600	2600	2500	0	100
Trans. Comm. & Util.	18100	18100	16900	0	1200
Trucking & Wheeing.	2500	2400	2300	100	200
Water Transportation	1300	1200	1100	100	200
Air Transportation	5400	5500	5200	-100	200
Other Trans. Comm. & Utilities.................	8900	9000	8300	-100	600
Trade	37500	37600	32700	-100	4800
Wholesale Trade	7300	7200	6700	100	600
Retail Trade..............	30200	30400	26000	-200	4200
Gen. Merchandise & Apparel...............	4700	4800	3800	-100	900
Food Stores.............	5000	5000	4300	0	700
Eating & Drinking Places	10400	10200	9200	200	1200
Other Retail Trade	10100	10400	8700	-300	1400
Finance-Ins. & R. Estate ..	9600	9400	9000	200	600
Services & Misc...........	35000	34900	32900	100	2100
Government	63200	63000	59400	200	3800
Federal	18000	18000	17500	0	500
State	18500	18200	17500	300	1000
Local.....................	26700	26800	24400	-100	2300

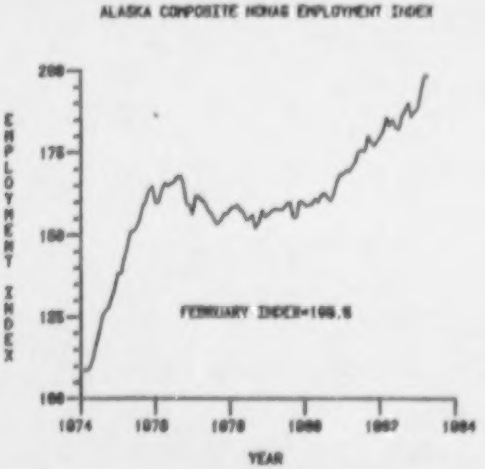
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

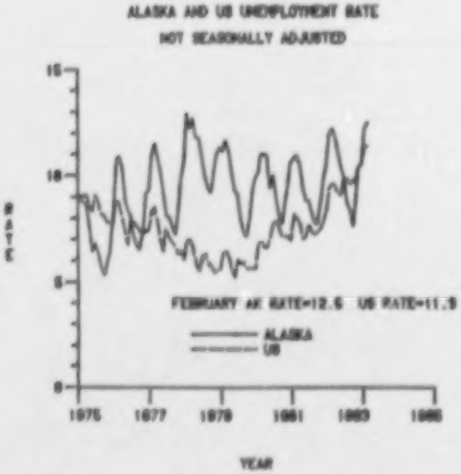
Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

variation. The decennial census provides an opportunity to attain more detailed and more statistically accurate labor force data. The census labor force data are derived from a 50% sample in rural areas of the state, and a 17% sample in place of 2,500 or more population. From a sample size perspective, the census data are the most reliable available.


ALASKA COMPOSITE NONAG EMPLOYMENT INDEX


ALASKA AND US UNEMPLOYMENT RATE
NOT SEASONALLY ADJUSTED

Unfortunately, the interview procedure followed by the Bureau of the Census in Alaska while soliciting labor force data was flawed. The census was taken over a 9 month period during 1980. This introduces a seasonality problem and compromises the validity of the data.

Presented below are selected labor force data from the 1980 census. A complete version is available upon request from Research and Analysis.

Labor Force Status	Alaska
Total Persons 16 Years and Over	286,350
Labor Force	204,682
Percent of Persons 16 Years and Over	71.5
Civilian Labor Force	182,679
Employed	164,874
Unemployed	17,805
Percent of Civilian Labor Force	9.7
Not in Labor Force	81,668

Labor Force Status in 1979

Persons 16 Years and Over, in Labor Force in 1979	233,006
Worked in 1979	228,328
50 to 52 Weeks	115,249
40 to 49 Weeks	29,111
1 to 39 Weeks	83,968
Usually Worked 35 or More Hours Per Week	193,565
50 to 52 Weeks	106,677
With Unemployment in 1979	54,281
Unemployed 15 or More Weeks	26,460
Mean Weeks of Unemployment	18.5

ANCHORAGE-MATSU

By Greg Huff

Several forces have contributed to the development of the area encompassing the Matanuska-Susitna Borough. Interwoven, yet distinct, these forces have shaped the region into a unique, though inseparable, economic entity within the state with the "valley" (Palmer-Wasilla area) as the core of economic activity and population. The primary factors influencing activity in this area of the state are natural resource and agricultural development, government policies, and the interrelationship between the neighbor on the south - Anchorage. Though the importance of these factors has been constantly changing over the years, their presence has always been felt.

The first seeds of development were sown by resource extraction (primarily gold and some coal) throughout the Talkeetna Mountains and the establishment of agriculture in the valley by a Federal government decision in the 1930s to locate the Matanuska Farm Colony at what today is Palmer. Although these two factors were very significant earlier in the development of the valley, today they are relatively less important. Agriculture has continued to decline since the 1960s and mining was negligible in the 1950s except for the Matanuska coal mine which closed in 1967. However, because of the deregulation of gold prices in the early 1970s, prices have risen to where it has become feasible for Independence Mine to reopen in hopes of finding concentrations of ore. Development of the Beluga coal field is years away, but if developed, it will add economic impetus to the valley.

Government actions have played a major role in the development of the area, beginning with the location of Matanuska Farm Colony to today's government capital appropriations and the home mortgage program. Key transportation infrastructure was built through government sponsored projects. These projects ranged from constructing roads to intertie farms, to the Glenn and Parks Highways.

During the last decade the interrelationship between MatSu and Anchorage has become the major force in the development of the valley. The interrelationship of the areas is simple. The Anchorage bowl has a limited amount of land for residential use and a concentration of potential home owners while the valley has the space and residential property costs from 10% to 20% less than in Anchorage. Wasilla, in particular, has become a very popular bedroom community for Anchorage workers. It has been estimated that approximately 40% of the valley residents work in Anchorage.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

				CHANGES FROM:	
	P/	*R/*			
	2/83	**1/83**	**2/82**	**1/83**	**2/82**
Nonag. Wage & Salary	95650	95600	87850	50	7800
Mining	3650	3650	3850	0	-200
Construction	6100	6200	5450	-100	650
Manufacturing	2050	2000	1800	50	250
Food & Kindred Prod.	250	250	250	0	0
Other Mfg.	1800	1750	1550	50	250
Trans. Comm. & Util.	8800	8950	8150	-150	650
Trucking & Whseing.	1350	1400	1200	-50	150
Water Transportation	300	300	200	0	100
Air Transportation	3300	3250	3150	50	150
Other Transportation Comm. & Utilities	3850	4000	3600	-150	250
Trade	23400	23400	19700	0	3700
Wholesale Trade	5300	5250	5000	50	300
Retail Trade	18100	18150	14700	-50	3400
Gen. Merchandise	1750	1800	1600	-50	150
Food Stores	2400	2400	2000	0	400
Eating & Drinking Places	6800	6700	5400	100	1400
Other Retail Trade	7150	7250	5700	-100	1450
Finance-Ins. & R. Estate	6150	6100	5600	50	550
Services & Misc.	20050	19950	18900	100	1150
Government	25450	25350	24400	100	1050
Federal	9700	9750	9650	-50	50
State	6500	6450	6200	50	300
Local	9250	9150	8550	100	700

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

Population

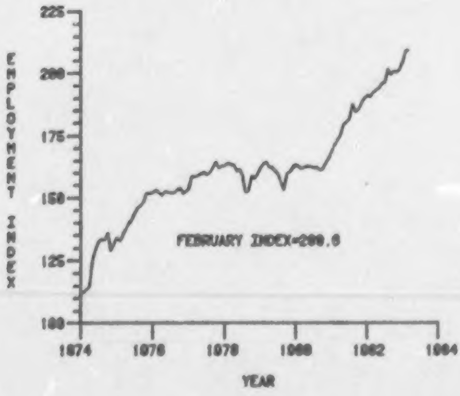
The population of the Matanuska-Susitna census area (coterminous with the Borough boundaries) has increased 2.5 times from 1960 to 1980. According to the 1980 census, the population of the borough was 17,816 compared to 6,509 in 1970 and 5,188 in 1960. By 1982 it was estimated that the population had exploded to 26,193. The MatSu area during the decade was the fastest growing region in the state, and Wasilla was the fastest growing community in the borough.

Table I
Population of Selected Communities

	1960	1970	1980	1982
Palmer	1181	1140	2141	2542
Wasilla	N/A	376	1559	2403
Big Lake	74	36	410	N/A
Talkeetna	76	182	264	N/A
Houston	N/A	69	870	826

During the ten years between 1970 and 1980 the bulk of the population increase was a result of in-migration to the area primarily by Anchorage residents and North Slope workers. Net in-migration surpassed births within the borough by nearly 4.5 times. A comparison of the ratio of births to net in-migration statewide and in Anchorage showed the opposite trend where

ANCHORAGE COMPOSITE NONAG EMPLOYMENT INDEX



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

				CHANGES FROM:	
	P/	*R/*			
	2/83	**1/83**	**2/82**	**1/83**	**2/82**
Nonag. Wage & Salary......	99950	99950	91650	0	8300
Mining	3800	3800	3950	0	-150
Construction	6350	6450	5550	-100	800
Manufacturing	2050	2050	1850	0	200
Trans. Comm. & Util.	9300	9350	8500	-50	800
Trade	24250	24300	20500	-50	3750
Finance-Ins. & R. Estate ..	6350	6300	5750	50	600
Services & Misc...........	21200	21100	19750	100	1450
Government	26650	26600	25800	50	850

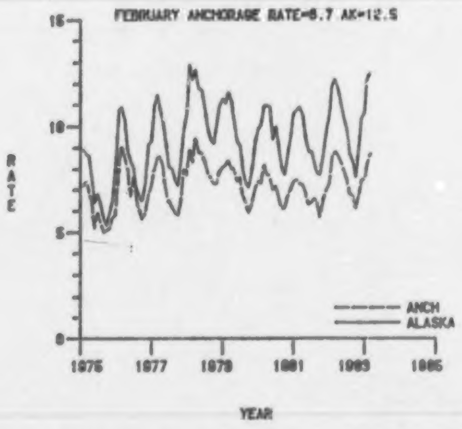
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

ANCHORAGE AND ALASKA UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED



LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P	R		P	R		P	R		P	R	
	2/83	1/83	2/82	2/83	1/83	2/82	2/83	1/83	2/82	2/83	1/83	2/82
Alaska Statewide	208092	206636	193419	26006	25276	23627	12.5	12.2	12.2	182086	181360	169792
Anch.-Matsu Region	108015	107940	97401	10397	9906	9205	9.6	9.2	9.5	97618	98034	88196
Anchorage	97035	97042	87707	8463	8093	7684	8.7	8.3	8.8	88572	88949	80023
Matanuska-Susitna	10980	10898	9694	1934	1813	1521	17.6	16.6	15.7	9046	9085	8173
Gulf Coast Region	22490	22024	21339	4040	4170	3881	18.0	18.9	18.2	18450	17854	17458
Cordova	1156	1127	1102	168	171	167	14.5	15.2	15.2	988	956	935
Kenai	11714	11502	11052	2313	2405	2157	19.7	20.9	19.5	9401	9097	8895
Kodiak	4914	4849	4744	701	772	758	14.3	15.9	16.0	4213	4077	3986
Seward	1671	1648	1553	355	375	308	21.2	22.8	19.8	1316	1273	1245
Valdez	3035	2898	2888	503	447	491	16.6	15.4	17.0	2532	2451	2397
Interior Region	28004	27624	26204	4690	4658	4269	16.7	16.9	16.3	23314	22966	21935
Fairbanks	22781	22581	21339	3778	3862	3460	16.6	17.1	16.2	19003	18719	17879
Southeast Fairbanks	2198	2141	2129	292	263	336	13.3	12.3	15.8	1906	1878	1793
Upper Yukon	703	675	646	135	115	111	19.2	17.0	17.2	568	560	535
Yukon-Koyukuk	2322	2227	2090	485	418	362	20.9	18.8	17.3	1837	1809	1728
Northern Region	9880	9784	8877	835	869	764	8.5	8.9	8.6	9045	8915	8113
Barrow-North Slope	2599	2588	2372	159	183	184	6.1	7.1	7.8	2440	2405	2188
Kobuk	3097	3042	2801	290	275	283	9.4	9.0	10.1	2807	2767	2518
Nome	4184	4154	3704	386	411	297	9.2	9.9	8.0	3798	3743	3407
Southeast Region	30197	30005	29834	4966	4700	4379	16.4	15.7	14.7	25231	25305	25455
Angoon	418	413	415	84	78	78	20.1	18.9	18.8	334	335	337
Haines	1089	1062	1010	238	208	151	21.9	19.6	15.0	851	854	859
Juneau	10359	10247	10297	1199	1062	1057	11.6	10.4	10.3	9160	9185	9240
Ketchikan	6456	6446	6424	1148	1123	1069	17.8	17.4	16.6	5308	5323	5355
Outer Ketchikan	901	892	932	276	265	301	30.6	29.7	32.3	625	627	631
Prince of Wales	1551	1528	1394	384	357	216	24.8	23.4	15.5	1167	1171	1178
Sitka	4183	4195	4309	483	484	576	11.5	11.5	13.4	3700	3711	3733
Skagway	1581	1544	1510	347	306	265	21.9	19.8	17.5	1234	1238	1245
Wrangell-Petersburg	3659	3678	3543	807	817	666	22.1	22.2	18.8	2852	2861	2877
Southwest Region	9506	9259	9764	1078	973	1129	11.3	10.5	11.6	8428	8286	8635
Aleutian Islands	2459	2404	2536	167	151	188	6.8	6.3	7.4	2292	2253	2348
Bethel	3043	2958	3152	362	322	405	11.9	10.9	12.8	2681	2636	2747
Bristol Bay Borough	352	338	368	50	41	58	14.2	12.1	15.8	302	297	310
Bristol Bay	1276	1224	1279	144	111	119	11.3	9.1	9.3	1132	1113	1160
Kuskokwim	853	838	893	122	119	144	14.3	14.2	16.1	731	719	749
Wade Hampton	1523	1497	1536	233	229	215	15.3	15.3	14.0	1290	1268	1321

P/=Preliminary 1982 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

births outnumbered net in-migration 2 to 1. Out of the 23 census areas in Alaska, only three other areas experienced more population increase due to more new people moving in than births (Juneau, Kenai Peninsula, Valdez-Cordova).

Age, race and sex characteristics of the borough changed slightly from 1970 to 1980. The median age increased to 26.9 years from 25.8. This increase in median age was a statewide phenomenon as well. During the 1970s, minorities, primarily the Native group, increased their share of total population. The White group share dropped from 95.1% to 94.5%. Females also increased their presence in the area with a gain from 46.7% to 48.1%.

Table II
Race Characteristics
1980

	Number of Persons
White	16844
Black	90
Native	688
Asian and Pacific Islander	61
Other	133

Employment

The mainstays of the MatSu ecomony in the past were agriculture and mining which provided many of the jobs in the region. Although not as important to the health of the economy today, they provide heritage and opportunities in the future. Recently the Independence Mine of Palmer, once the areas largest lode mining operation, reopened. During the construction phase, which began in August 1979, through last year, 100 workers were at the site. If exploration reveals an adequate concentration of ore, as many as 65 people could be employed at the site, including miners, engineers and mechanics. Another 10-15 workers could be stationed at the mill to process the ore. Gold mining could again become an important basic (export) sector of the MatSu economy.

Agriculture in the area basically revolves around dairy farming, potatoes, lettuce and hay. Valley agriculture has steadily declined since the early 1960s when cheaper barge and containerized shipping to Anchorage began to reduce shipping costs. With economies of scale and continued state subsidies, agricultural products could become cost competitive and supply more of Alaska's nondairy agricultural goods. Nondairy agricultural employment in the valley fluctuates around seasons but gets as high as 100 during harvest months. In 1981, dairy farm employment averaged 24 jobs.

Nonagricultural wage and salary employment in the MatSu region is primarily tied to providing goods and services to residents and visitors to the area. Historically, the largest concentration of nonagricultural jobs has been in government which provides road maintenance, law enforcement, education and a host of other services (in 1980 government employment represented 31% of total nonagricultural employment). The remainder of the economy is made up of wholesale and retail outlets; service oriented firms providing lodging, medical care, a host of personal and business services; firms providing electricity and telephone services; and finally, financial services.

Table III
Nonagricultural Employment
Selected Years

	1970	1975	1980	1982(est)
Total Nonagricultural	1145	2020	3272	3900
Mining	*	*	56	100
Construction	120	188	194	300
Manufacturing	*	30	136	100
Trans-Comm-Utilities	114	217	342	300
Trade	174	315	825	900
Finance, Ins. Real Estate	22	62	125	200
Services	179	288	591	1,000
Federal Government	106	124	114	100
State/Local Government	375	775	889	900

1980-1982 EMPLOYMENT

As did Anchorage and the remainder of the state, MatSu received economic impetus from oil generated state government appropriations for capital projects and the state's subsidized mortgage program.

Over the past 3 years (1980-1982) total nonagricultural employment has grown 19%. The increased employment rolls were primarily caused by the exploding population of the area. The highest growth in employment was in services to meet the needs of the growing population. Retail trade and financial institutions also increased employment to meet the growing service area.

Construction activity, the most visible sign of a dynamic economy, reached record levels in 1981 and 1982. Construction employment increased 55% over 1980 levels and reached an all time high during those years. Government construction in MatSu, much like the remainder of the state (except Anchorage), outpaced all private projects except for residential construction which was very strong in the valley. Public projects ranged from numerous road improvement projects and hospital expansion, to school and fire hall construction. Residential construction was induced by the 10% to 20% differential between home prices in Anchorage and the MatSu and the large pool of potential home buyers caused by the state home mortgage program. From 1980 to 1982, between 2,000 to 2,500 units were constructed.

1983 OUTLOOK

The outlook for 1983 is generally a copy of 1982. Construction activity will remain in the limelight and a growing population will induce expansion in trade and services related business. The area home builders association and several realtors are expecting the number of residential units to outpace last year's record. Beyond 1983, the outlook for MatSu is less certain.

FAIRBANKS/INTERIOR

By Neal Fried

CHARACTERISTICS OF FAIRBANK'S LABOR FORCE BY SEX AND RACE

During each decennial census the Bureau of the Census collects labor force data for areas all over the country, including Fairbanks. These statistics provide insight into the status of the labor force by sex, race and ethnic origin. Many of these statistics can also be compared to previous censuses, providing further insight into the progress or lack of it made by these groups over time.

Labor Force by Sex

According to the 1980 census Fairbanks' civilian labor force is 58% male and 42% female. (In 1970, 40% of the civilian labor force was female.) The most dynamic change that has occurred has been the rapid growth of women's participation in the labor force. In 1970 approximately 46.6% of the women of working age were in the labor force compared to 59% in 1980. This increase has been part of the nationwide trend for women to take an increasingly active role in the labor force.

Women's participation in the labor force in Fairbanks is a full 9 percentage points above the national average which may reflect Fairbanks' younger labor force. It may also be higher because of the higher cost of living making it necessary to have two wage earners per family to make ends meet.

The female unemployment rate of 9.8% is lower than the male rate of 13%. This relationship is unchanged from the 1970 census and exists largely because males are more heavily concentrated in Alaska's seasonal industries (construction and transportation) and therefore, experience higher unemployment rates than women.

Labor Force by Race and Ethnic Origin

The race/ethnic categories have changed less than the female/male categories. The minority share of the civilian labor force is 9% and has remained very close to the 1970 levels. The largest minority group represented is Black with a 4.1% share of the civilian labor force followed by the Indian, Eskimo and Aleut group at 3.9%. The other two groups that were identified by the census were Asian/Pacific Islanders, and Spanish origin at 1.4% and 2.1%, respectively. During the 1970 census, data for a number of these specific groups were not collected and therefore, comparisons are difficult to make. With the information available, apparently the Asian and Pacific Islanders

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

				CHANGES FROM:	
	P/	R/			
	2/83	1/83	2/82	1/83	2/82
Nonag. Wage & Salary......	23500	23050	22350	450	1150
Mining	100	100	100	0	0
Construction	1500	1550	1400	-50	100
Manufacturing	400	400	400	0	0
Trans. Comm. & Util.	2700	2700	2600	0	100
Trucking & Whseing.	500	500	500	0	0
Air Transportation	600	600	600	0	0
Other Trans. Comm. & Utilities..................	1600	1600	1500	0	100
Trade	4400	4500	4100	-100	300
Wholesale Trade	850	850	850	0	0
Retail Trade...............	3550	3650	3250	-100	300
Gen. Merchandise & Apparel	400	450	350	-50	50
Food Stores.............	650	650	650	0	0
Other Retail Trade	2500	2550	2250	-50	250
Finance-Ins. & R. Estate ..	850	850	850	0	0
Services & Misc...........	4700	4600	4400	100	300
Government	8850	8350	8500	500	350
Federal	2350	2350	2250	0	100
State	3850	3650	3650	200	200
Local......................	2650	2350	2600	300	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK INTERIOR

				CHANGES FROM:	
	P/	R/			
	2/83	1/83	2/82	1/83	2/82
Nonag. Wage & Salary......	27050	26500	25500	550	1550
Mining	300	300	250	0	50
Construction	1800	1850	1550	-50	250
Manufacturing	450	450	400	0	50
Trans. Comm. & Util.	3500	3500	3350	0	150
Trade	4650	4650	4300	0	350
Finance-Ins. & R. Estate ..	950	900	900	50	50
Services & Misc.	4950	4900	4750	50	200
Government	10450	9950	10000	500	450

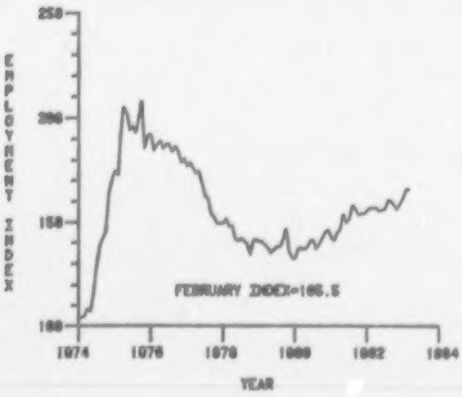
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

FAIRBANKS COMPOSITE NONAG EMPLOYMENT INDEX

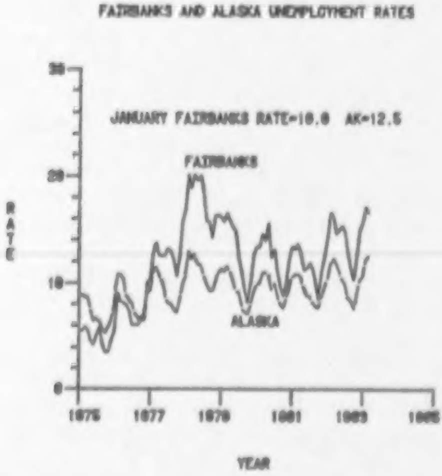


group is the only ethnic group that has increased its share of the civilian labor force significantly.

For the total civilian labor force the jobless rate is 11.6%. All of the minority groups are experiencing higher jobless rates. Unemployment rates for the five major racial groups are: White (11.0%); Black (18.2%); Aleut, Indian, Eskimo (17.3%); Asian, Pacific Islander (12.8%); and Spanish Origin (11.7%).

Labor force participation rates for each racial group present a slightly different picture. The Black participation rate is the highest of all groups at 79% and is a result of the high percentage of this group in the military. The only two groups with participation rates below the overall average of 74% are Native Alaskans at 48% and Asian and Pacific Islanders at 62%.

The minority experience in Fairbanks' labor force is not unique, for it is repeated both on the statewide and national levels.



GULF COAST

By Neal Fried

CHARACTERISTICS OF GULF COAST'S LABOR FORCE BY SEX AND RACE

Every 10 years, the Bureau of Census produces labor force statistics for areas all over the country including Gulf Coast and its census divisions, Kenai-Cook Inlet, Kodiak and Valdez-Cordova. These statistics shed light on the status of the labor force by sex, race and ethnic origin. Many of these statistics can also be compared to previous censuses to provide further insight into the progress or lack of it made by these groups over time.

Labor Force by Sex

Gulf Coast's 1980 civilian labor force is 62% male and 38% female compared to 33% female in 1970. All of the census divisions have similar sex ratios in their labor forces. The most dramatic change that has occurred has been the rapid growth of women's participation in the labor force. In 1970 approximately 33% of the women of working age were in the region's labor force compared to 54% in 1980. The census division with the highest female participation rate is Kodiak at 60%, followed by Valdez-Cordova at 56% and Kenai-Cook Inlet at 50%. The differences in participation is a result of the availability of work, age, and family size. The Gulf Coast's female participation rate is 4 points above the national average and Kodiak is a full 10 points above the U.S. rate. This reflects the fact that the region's labor force is younger than the nation's and higher cost of living may make it more necessary to have 2 wage earners per family to make ends meet.

The female unemployment rate of 12.2% for the region is higher than the male rate of 9.5%. This is different than the state's overall experience and is similar to the national picture. This may be because more job opportunities exist in the region for the more traditionally male-dominated occupations.

Labor Force by Race and Ethnic Origin

The 13.6% minority share of the civilian labor force has not changed significantly from 1970. The largest minority group in the region is the Alaska Native at 7.8% followed by Asian and Pacific Islander (3.7%), Spanish origin (1.6%) and Blacks (.5%). Within the region's census divisions there is more variation. For example, in Kodiak 72% of the labor force is White compared to Kenai-Cook Inlet where 90% of the labor force is White. The Asian and Pacific Islander category makes up a significant share of Kodiak's labor force (10.9%) whereas in the remainder of the region their share is very small.

The unemployment picture is also mixed. Some of the minority groups are experiencing lower average jobless rates and others higher. For the total civilian labor force the jobless rate was 11.0% and for the Black and Native Alaskans the rates were 14.3% and 18.2%, respectively. The Asian and Pacific Islanders, White and those of Spanish origin registered rates below the average at 4.7%, 10.3% and 9.5%, respectively.

This experience did follow a similar pattern in all of the census divisions. The jobless rate for Alaskan Natives consistently remained above the average, being the highest in the Valdez-Cordova census division at 26.5%.

Labor force participation has gone up significantly in the region's census divisions. For example, in Kenai-Cook Inlet the rate was 57% in 1970 compared to 64% in 1980. Kodiak's gains were more dramatic, increasing

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NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK GULF COAST

				CHANGES FROM:	
	P/	R/			
	2/83	1/83	2/82	1/83	2/82
Nonag. Wage & Salary	16100	15400	14750	700	1350
Mining	900	900	900	0	0
Construction	950	950	750	0	200
Manufacturing	2200	1650	2100	550	100
Food & Kindred Prod.	1500	950	1400	550	100
All Other Mfg.	700	700	700	0	0
Trans. & Comm. Util.	2100	2000	1750	100	350
Trade	2450	2450	2200	0	250
Wholesale Trade	400	400	300	0	100
Retail Trade	2050	2050	1900	0	150
Finance-Ins. & R. Estate	450	450	400	0	50
Services & Misc.	2450	2450	2300	0	150
Government	4600	4550	4350	50	250
Federal	550	550	500	0	50
State	1300	1250	1200	50	100
Local	2750	2750	2650	0	100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

from 49% in 1970 to 75% in 1980. This is both because of the rapid increase in the number of women taking an active role in the labor force and because of the growth in the number of job opportunities.

The participation rates of the various ethnic and racial groups are similar to the jobless picture. Most of the groups are close to the total average or above it with the exception of the Alaskan Native which is as much as 20 percentage points below the average. A major factor for this phenomenon is the concentration of Alaskan Natives in the rural areas of the region where participation in the labor force is far more difficult.

SOUTHEAST

By Tony Zenk

Preliminary estimates for nonagricultural wage and salary employment for Southeast Alaska in February 1983 showed an approximate 2% increase over February 1982. This figure represents about 3% of the growth felt in nonagricultural wage and salary employment for the entire state.

EMPLOYMENT AT SEASONAL LOW

January and February are the low period of employment and business activity for the year for most industries.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

				CHANGES FROM:	
	P/ 2/83	R/ 1/83	2/82	1/83	2/82
Nonag. Wage & Salary......	26050	26100	25550	-50	500
Construction..............	1150	1150	950	0	200
Manufacturing............	2400	2300	2650	100	-250
Food & Kindred Prod.....	850	850	700	0	150
Lumber & Paper Prod....	1350	1250	1750	100	-400
All Other Mfg.............	200	200	200	0	0
Trans. Comm. & Util.......	2100	2100	2350	0	-250
Trade......................	4250	4450	3800	-200	450
Wholesale Trade........	200	200	300	0	-100
Retail Trade..............	4050	4250	3500	-200	550
Finance-Ins. & R. Estate ..	1000	1000	950	0	50
Mining, Svcs. & Misc......	3350	3350	3300	0	50
Government..............	11800	11750	11550	50	250
Federal...................	2200	2200	2250	0	-50
State......................	5750	5700	5300	50	450
Local......................	3850	3850	4000	0	-150

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

The construction industry is a good example of this pattern, employing as many as 2,350 persons in September 1982 at peak season while dropping to 1,150 persons in February. Although down seasonally in February, construction employment was up compared to last year. Much of the over the year growth was in specialty trades with employment nearly double last year's level. A much milder winter than last year has enabled many construction workers to remain on the job.

Employment in the wood products industry, although having some seasonal expansion in February, continued to be well below year ago levels. Employment in this industry rose about 8% from January to February, but was 23% lower than last year. Saw mill employment continued to be depressed with employment down 38% compared to last year in February. The international markets for Southeastern wood products have yet to show any significant improvements.

Although the entire trade industry for Southeast Alaska in February showed an approximate 12% increase in employment over last year, a majority of that increase was felt in eating and drinking establishments.

Government growth in February was about 2% over last year. Total government employment in Southeast Alaska accounted for about 45% of total nonagricultural wages and salaries in February 1983. A breakdown of government employment in Southeast showed that state government accounted for 49%, local contributed 33%, while federal government employed 18%.

January hours and earnings data were not available at press time. The hours and earnings time series is currently being benchmarked and will be published next month.

5/83 S0320-1 A

MAY 1983

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska

1 Characteristics of Alaska's Labor Force

7 Construction Employment Outlook

ALASKA ECONOMIC TRENDS

Bill Sheffield, Governor
State of Alaska

Jim Robison, Commissioner
Department of Labor

Chuck Caldwell, Chief
Research and Analysis

Chris Miller, Editor

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

May 1983
Volume 3
Issue 5

Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

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Labor Force By Region and Census Division Insert

CHARACTERISTICS OF ALASKA'S LABOR FORCE BY SEX AND RACE

By Neal Fried

Labor Force by Sex

Alaska's civilian labor force is 58% male and 42% female, closely mirroring the rest of the nation. In 1970 the composition of the civilian labor force was 61% male and 39% female. In 1980, within Alaska the female share varied from a high of 70% female in Juneau to a low of 40% in the Wade Hampton census area. This reflects a difference in job opportunities, age variation and different cultures and attitudes. Juneau is a large community with a variety of stable, fulltime, year-round jobs. Many of the jobs found in Juneau have a high concentration of women. In the Wade Hampton census division, employment opportunities are scarce and a large percentage of the few job opportunities that do exist are in areas that traditionally have been dominated by males (such as construction). This relationship in most cases reflects the difference between the rural and urban areas of the state.

Female participation1/ in the labor force has brought about the most dynamic changes in the labor force over the past decade. In Alaska, women's participation in the labor force has grown by 19 percentage points over the decade. Presently 60% of Alaska's women of working age (over 16) are active in the labor market. This is a full 10 percentage points above the national average and it is the second highest in the country (Nevada is the highest at 61%). This high participation of women is also reflected by the fact that Alaska has the highest percentage of families with 2 or more wage earners (64%)in the nation. The increasing participation of women in the labor force has been a nationwide phenomenon. Attitudes about women working have changed, birth rates have decreased, women have been acquiring more education, more part-time work has become available and job discrimination has been easing.

As in the composition of the labor force, the female participation rates differ from one area of the state to another. The areas with the highest participation rates are generally the urban areas where ample job opportunities exist. In Juneau a full 71% of working age women are in the labor force, nearly equal to the state's labor force participation rate. In Anchorage, the participation rate stands at 65%. At the lower end, one

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1/ When labor force participation is discussed, the uniformed military is included. When the military is not included it will be referred to as the civilian labor force.

generally finds the rural areas of the state such as Bethel and Wade Hampton census areas having female participation rates of 42% and 40%. This lower participation is not limited to women but is reflected in the male participation rate also (particularly Alaskan Natives). This is largely a result of the lack of jobs in these areas along with other factors that will be discussed further.

The state's female unemployment rate of 8.1% was below the male rate of 11%. The male rate is higher than the female rate largely because seasonal industries (such as construction) experience a high rate of unemployment and are dominated by males. There are a few areas in the state where the reverse is true. In Kodiak and Kenai, for example, fish processors employ large numbers of women and it is an extremely seasonal industry. The nation's experience is different than the state's, with the female unemployment rate being higher than the male rate.

Labor Force by Race and Ethnic Origin

In the printed publications from the 1970 census covering employment statistics, only the races white and black are segregated out for detail information. In addition there is a category "persons of Spanish language" which was derived from the answers to a question on a person's origin or descent. This means few comparisons can be made between many of the racial groups from the 1970 census and those identified in the 1980 census.

The minority share of the civilian labor force was 17% in 1980 compared to 14% in 1970. Some of the increase shown in 1980 may be the result of more people being identified as having Spanish origins who were counted as white in the 1970 census. The largest group, other than white, is Native Alaskan with 11% of the civilian labor force, followed by black (2.8%), Asian and Pacific Islander (2.2%) and Spanish origin (1.9%). Though no directly comparable information is available from the 1970 census, it appears the Asian and Pacific Islander group has grown the most rapidly over the decade. Within the state the race/ethnic makeup of the civilian labor force varies considerably. For example, in Anchorage 88% of the civilian labor force is white, followed by black with 4.4%. In comparison, Bethel's labor force is 66% Native and 33% white. Kodiak's civilian labor force has one of the more racially diverse labor forces with 72% white, 12% Native, 11% Asian and Pacific Islander, and .5% black. In addition 4% of the labor force indicated they were of Spanish origin.

The group with the lowest unemployment rate is the Asian and Pacific Islander at 6.5%, a full 3 percentage points below the overall rate. The white rate (8.2%) is the only other rate below the average. All other groups experienced higher jobless rates than the average. The Native Alaskan group experienced the highest jobless rate (20.3%), double the average, with all other rates falling in between. The higher rates experienced by many of the groups may be a result of few marketable skills, language difficulties, and cultural differences. In the Native Alaskan case this is compounded by the fact that a large percentage of the Native labor force is found in rural areas where job opportunities are less plentiful. The unemployment rate may not always be an appropriate tool to measure their success or lack thereof in the labor force because subsistence is not accounted for in these statistics though it is a form of employment.

All groups except Native Alaskan participate in the labor force at levels above the average total. The black group has the highest participation rate because of the high percentage of the males in the military and the high proportion of black females in the labor force. With the exception of the Natives, all other groups are within 6 percentage points of the average. The Native group participation is 23 percentage points below the average. The reasons for this low participation rate probably are identical to the reasons for the high jobless rates. Their participation appears to increase where there are more job opportunities, such as in the state's urban areas. In southeast Alaska, particularly Juneau and Sitka, the Native population has a higher participation rate in the labor force than they have elsewhere in the state. It is in the rural areas where the rates are particularly low with Yukon Koyukuk having the lowest rate. In that area a little more than a third of the working age population is active in the labor force. The other ethnic/race groups have high participation rates in the rural areas, in many cases higher than in the urban areas. This may be because they migrated to these areas specifically for employment reasons with jobs already waiting for them (teachers, medical personnel, etc). They probably tend to be young, and when they leave their employment in these areas, they often leave the area altogether.

This past decade has brought significant changes in the makeup of Alaska's labor force, particularly in the increased role women are presently playing. The growth of women in the labor force that has taken place has been unprecedented.

Table I
Alaska
Civilian Labor Force Status by Sex, Race and Ethnic Orgin
1980 Census

	Civilian Labor Force	Unemployment Rate
Total	100.0%	9.7%
White	83.4	8.2
Black	2.8	14.4
Native Alaskan	10.8	20.3
Asian & Pacific Islander	2.2	6.5
Other	0.8	18.5
Spanish Origin 1/	1.9	12.4
Minority Group 2/	18.5	16.9
Male	57.9	11.0
White	48.9	9.1
Black	1.4	16.5
Native Alaskan	6.0	24.5
Asian & Pacific Islander	1.1	5.5
Other	0.4	23.9
Spanish Origin 1/	1.1	14.4
Minority Group 2/	10.1	20.1
Female	42.1	8.1
White	34.6	7.0
Black	1.4	12.1
Native Alaskan	4.8	15.0
Asian & Pacific Islander	1.0	7.5
Other	0.3	10.7
Spanish Origin 1/	0.8	9.8
Minority Group 2/	8.3	12.9

Source: U.S. Department of Commerce, Bureau of the Census

1/ Not included in distribution because of duplication. Any race may be of Spanish Origin.

2/ Sum of Spanish Origin and all races except White.

Table II
Labor Force Participation 1/
Rates by Sex, Race and Ethnic Origin
1980 Census

	Both Sexes					
	Total	White	Black	Native	Asian	Spanish
State	72.0	75.0	84.0	49.0	74.0	78.0
Nation	62.0	62.0	59.0	—	66.0	63.0
Aleutian Islands	80.0	90.0	97.0	40.0	84.0	95.0
Anchorage	76.0	77.0	84.0	58.0	73.0	75.0
Bethel	50.0	89.0	95.0	40.0	71.0	93.0
Bristol Bay	75.0	83.0	100.0	51.0	—	94.0
Dillingham	52.0	81.0	—	41.0	—	—
Fairbenks North Star	74.0	75.0	79.0	48.0	62.0	75.0
Haines	65.0	65.0	—	—	—	—
Juneau	79.0	81.0	71.0	65.0	66.0	77.0
Kenai Peninsula	69.0	64.0	91.0	58.0	67.0	71.0
Ketchikan Gateway	71.0	74.0	—	55.0	65.0	60.0
Kobuk	52.0	87.0	—	45.0	—	86.0
Kodiak Island	75.0	78.0	71.0	49.0	94.0	87.0
Matanuska-Susitna	63.0	63.0	69.0	50.0	26.0	65.0
Nome	53.0	81.0	—	43.0	—	74.0
North Slope	70.0	94.0	—	60.0	83.0	100.0
Prince of Wales/ Outer Ketchikan	66.0	71.0	81.0	59.0	38.0	—
Sitka	75.0	76.0	—	68.0	83.0	79.0
Skagway-Yakutat-Angoon	65.0	70.0	—	56.0	—	—
Southeast Fairbanks	71.0	74.0	94.0	45.0	30.0	69.0
Valdez-Cordova	69.0	71.0	91.0	47.0	100.0	76.0
Wade Hampton	46.0	93.0	—	42.0	—	—
Wrangell-Petersburg	70.0	73.0	—	53.0	69.0	81.0
Yukon-Koyukuk	55.0	73.0	94.0	37.0	—	66.0

Table II
(Continued)
Labor Force Participation 1/
Rates by Sex, Race and Ethnic Origin
1980 Census

	Female					
	Total	White	Black	Native	Asian	Spanish
State	60.0	62.0	74.0	43.0	63.0	61.0
Nation	50.0	50.0	53.0	—	57.0	49.0
Aleutian Islands	64.0	77.0	91.0	30.0	60.0	84.0
Anchorage	65.0	65.0	77.0	52.0	63.0	58.0
Bethel	42.0	83.0	100.0	34.0	60.0	82.0
Bristol Bay	55.7	58.0	100.0	47.0	—	88.0
Dillingham	47.0	72.0	—	39.0	—	—
Fairbanks North Star	59.0	61.0	64.0	37.0	54.0	58.0
Haines	50.0	50.0	—	49.0	—	—
Juneau	71.0	73.0	52.0	61.0	56.0	68.0
Kenai Peninsula	50.0	50.0	100.0	48.0	66.0	46.0
Ketchikan Gateway	57.0	95.0	—	46.0	60.0	52.0
Kobuk	52.0	87.0	—	45.0	—	86.0
Kodiak Island	60.0	64.0	56.0	55.0	90.0	74.0
Matanuska-Susitna	48.0	48.0	67.0	46.0	38.0	41.0
Nome	47.0	73.0	—	40.0	—	80.0
North Slope	55.0	87.0	—	48.0	80.0	100.0
Prince of Wales/ Outer Ketchikan	48.8	51.0	58.0	47.0	0.0	—
Sitka	64.0	65.0	100.0	58.0	59.0	91.0
Skagway-Yakutat-Angoon	54.0	55.0	—	53.0	—	—
Southeast Fairbanks	52.0	55.0	83.0	40.0	17.0	37.0
Valdez-Cordova	57.0	59.0	50.0	43.0	100.0	53.0
Wade Hampton	40.0	87.0	—	35.0	—	—
Wrangell-Petersburg	56.0	59.0	—	44.0	45.0	69.0
Yukon-Koyukuk	44.0	50.0	60.0	41.0	—	15.0

Source: U.S. Department of Commerce, Bureau of the Census

1/ The labor force participation rates include the total noninstitutionalized population 16 years and older. Unlike the civilian labor force participation rate, these rates include the military.

ALASKA

By Brit Harvey

Construction Employment Outlook

Most forecasts prepared near the end of last year called for no increase in 1983 construction employment (Alaska Pacific Bank)*1/* or a 3% decline (Office of the Governor, Division of Budget and Management).*2/* It now appears that rather than remaining flat or declining, the 1983 construction season will be the biggest since the pipeline. However, substantial declines are likely in 1984 and 1985.

Outlook for 1983

Nearly all major sources of construction employment will contribute strongly in 1983. North Slope oil-field development construction is expected to peak in 1983. The largest Prudhoe Bay project is waterflood, which will increase Prudhoe's ultimate production by 4 billion barrels and is scheduled for start up in 1984. Prudhoe Bay owners have invested about $9 billion in field development and plan to spend $7.5 billion more. Although much of this money is not spent in Alaska, the impact of petroleum-related construction in the state is huge. *Alaska Construction and Oil* magazine forecasts a total of $2.32 billion in contract awards for 1983, with 65% attributed to statewide petroleum-related construction.*3/*

Federal funding for highway construction is expected to increase from the 1982 level of $106 million to $140 million in 1983 due to the new 5 cent per gallon national gasoline tax.

The outlook for residential construction is surprisingly strong coming on top of a record year in 1982. Statewide dwelling unit building permits for the first quarter of 1983 were up 118% over the same quarter last year. Anchorage accounted for 89% of these permits. While permit activity is unlikely to maintain this rate throughout 1983, it does appear that residential construction will set another record this year.*4/*

Commercial construction will show even greater growth this summer. Commercial space for 350 stores, valued at over $100 million, is planned for Anchorage this year.*5/* Commercial construction is also expected to boom in Juneau, due to the capital move rejection. At least one large department store, three fast-food franchises, a mall addition, and several new commercial buildings will be started in Juneau this summer.

Office construction employment will decline in 1983, as major projects such as the ARCO building near completion. However, there is still substantial office construction employment in Anchorage which may be supplemented by the start of the planned Sohio building.

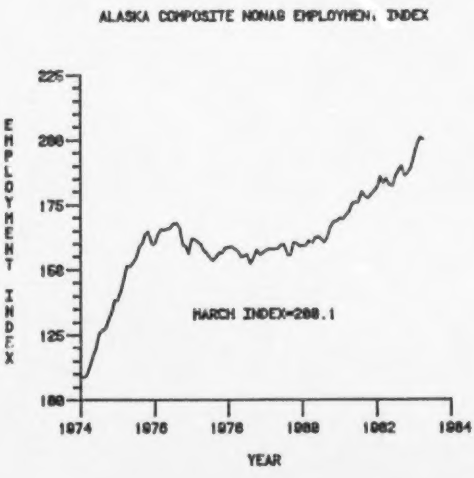
State Department of Transportation and Public Facilities (DOTPF) construction expenditures in 1983 are expected to exceed $210 million or at least 11% higher than 1982.6/ Many observers expected the state to curtail its capital budget in the face of declining revenue. The unexpected increase is the result of supplemental appropriations for "bid-ready" projects proposed by Governor Sheffield and approved by the Legislature. This appropriation of more than $240 million will increase DOTPF's 1983 expenditures by $83 million, with the remaining two thirds distributed through local governments.

Overall, 1983 will be the biggest construction season since the pipeline. Additional growth in construction employment of about 10% is likely, on a 1982 base which was almost 20% above 1981.

Beyond 1983

The outlook for construction employment changes drastically beyond 1983. Substantial declines are almost certain to occur in both 1984 and 1985. A sector by sector analysis of the industry shows why.

The investment necessary to maximize Prudhoe Bay production will be largely in place by 1984. Construction related to field development will decline. While other oil-related construction employment, such as gravel



island construction in the Beaufort Sea, will pick up some slack, nothing is likely to replace the peak employment of the major Prudhoe Bay projects.

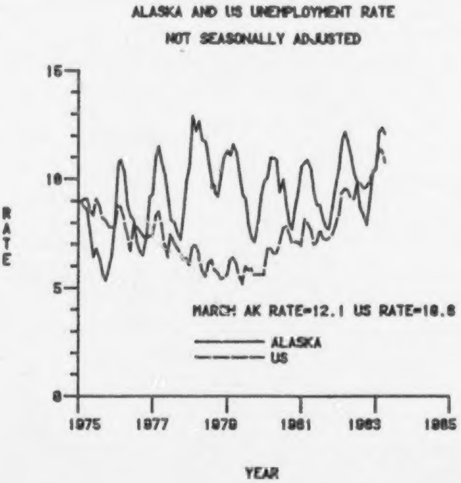
The one-time boost in federal highway funding will not recur, barring further tax increases.

Anchorage, where nearly nine out of every ten Alaska residential building permits were issued during the first quarter of 1983, is showing clear signs of overbuilding. The March 1983 rental vacancy rate was 8.5%, up from 1% a year ago. The inventory of housing units on the market has more than doubled during the same period. The population growth necessary to sustain the current level of residential construction is highly unlikely in view of declining oil prices and an improving economy in the lower 48.

Anchorage office space is reportedly 20% vacant, with the Sohio building still to be built and new state office space being considered. Some observers consider the current Anchorage office space inventory sufficient for four years.

Commercial space displays the same pattern, with currently planned projects likely to more than meet demand for several years.

State construction presents an even greater certainty of decline in 1984 and 1985. The "bid-ready" projects pressed forward into the 1983 construction season would have been constructed in 1984 and 1985. In combination with



lower state oil revenue, current state capital budget policy will contribute to a decline following a peak construction year in 1983.

While forecasts are always subject to some degree of error, it is difficult to foresee any scenario which could result in construction employment growth continuing beyond 1983.

Analysis

Construction is an inherently cyclical industry, both nationally and in Alaska. Several unique aspects of the Alaska economy are currently acting in concert to accentuate the boom portion of the cycle, and by extension, the bust side as well.

The phenomenal boom in residential construction is largely due to the creation by the state of a subsidized secondary mortgage market in the form of the Alaska Housing Finance Corporation (AHFC). Alaska financial institutions active in the mortgage field have essentially become loan production and servicing agencies. The Alaska residential construction and real estate industries have therefore been partially freed from the normal constraints imposed by market interest rates and skeptical bankers. This situation allowed Alaska residential construction to boom while high interest rates crippled similar construction in the rest of the country. Currently, there is no short-term brake on the construction process, as would normally be applied by private sector lenders. The long-term brake is declining state subsidy to homeownership, possibly applied rather suddenly due to declining state oil revenue.

Direct state-funded construction is following a similar cycle based on state oil income and complicated by a lag due to administrative processing. The supplemental appropriation for bid-ready projects serves to shorten the lag period at the top of the cycle, producing a higher peak and a sharper decline.

Prudhoe Bay development expenditures are primarily based on engineering requirements, and are only coincidentally peaking concurrently with other oil-revenue/politically influenced sectors.

In general, the current period of rapid economic expansion has been construction-led and oil wealth-financed. The combination of economic factors which created the boom will peak in 1983. Following years will see a new phase in the Alaska economy, as construction no longer drives economic growth.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	R/		CHANGES FROM:	
	3/83	**2/83**	**3/82**	**2/83**	**3/82**
Nonag. Wage & Salary......	198600	194700	183700	3900	14900
Mining	9500	9400	8900	100	600
Construction	13700	13000	11500	700	2200
Manufacturing	9000	7900	9200	1100	-200
Food & Kindred Prod.....	4100	3500	4200	600	-100
Lumber & Paper Prod....	2200	1800	2500	400	-300
All Other Mfg.	2700	2600	2500	100	200
Trans. Comm. & Util.	18500	18300	17300	200	1200
Trucking & Whseing.	2700	2700	2600	0	100
Water Transportation	1300	1300	1100	0	200
Air Transportation	5500	5400	5200	100	300
Other Trans. Comm. & Utilities.................	9000	8900	8400	100	600
Trade	37900	37600	33300	300	4600
Wholesale Trade	7500	7400	6800	100	700
Retail Trade..............	30400	30200	26500	200	3900
Gen. Merchandise & Apparel	4500	4400	3800	100	700
Food Stores.............	5000	5000	4400	0	600
Eating & Drinking Places	10600	10600	9500	0	1100
Other Retail Trade	10300	10200	880	100	1500
Finance-Ins. & R. Estate ..	9800	9500	9000	300	800
Services & Misc...........	35800	35400	33400	400	2400
Government	64400	63600	61100	800	3300
Federal	18000	18000	17300	0	700
State	19200	18500	17800	700	1400
Local.....................	27200	27100	26000	100	1200

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

1/ *Alaska Business Trends-1983 Economic Forecasts;* Alaska Pacific Bank; p. 22
2/ *AEIRS Quarterly Report;* Nov. 1983; p. 25
3/ *Alaska Construction and Oil;* April 1983; p. 12
4/ Al Robinson; U.S. Dept. of Housing and Urban Development, Anchorage; Conversation 4/18/83
5/ Anchorage Daily News; 4/16/83; p. E-1
6/ Wayne Weeks; Alaska Department of Transportation and Public Facilities, Planning; Conversation 3/24/83

Nonagricultural Employment

Alaska nonagricultural wage and salary employment was 198,600 in March, 2.0% higher than February and 8.1% over last year.

At the industry level there were few changes. Logging employment nearly doubled to 750 as several logging camps reopened. This increase resulted in few new job openings, as returning employees took almost all the positions.

Trade employment is booming, with 13.8% growth over last year. This growth is stronger in retail than wholesale trade, and is spread throughout the retail sector. Juneau will experience a large increase in retail trade employment during the next two years due to the rejection of the capital move.

Unemployment

Alaska unemployment was 12.1% in March. Although the March rate was down from February's 12.4% it was above the 11.7% rate of last March. Compared to previous years, March unemployment was high.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P	*R*		*P*	*R*		*P*	*R*		*P*	*R*	
	3/83	2/83	3/82	3/83	2/83	3/82	3/83	2/83	3/82	3/83	2/83	3/82
Alaska Statewide	212280	209614	199902	25752	26055	23429	12.1	12.4	11.7	186528	183559	176473
Anch.-Matsu Region	109873	108593	101597	10719	10428	9128	9.8	9.6	9.0	99154	98165	92469
Anchorage	98788	97557	91586	8823	8489	7686	8.9	8.7	8.4	89965	89068	83900
Matanuska-Susitna	11085	11036	10011	1896	1939	1442	17.1	17.6	14.4	9189	9097	8569
Gulf Coast Region	22841	22726	21560	3780	4043	3696	16.5	17.8	17.1	19061	18683	17864
Cordova	1195	1168	1134	175	168	178	14.6	14.4	15.7	1020	1000	956
Kenai	12084	11834	11283	2372	2315	2181	19.6	19.6	19.3	9712	9519	9102
Kodiak	4734	4967	4598	382	701	519	8.1	14.1	11.3	4352	4266	4079
Seward	1695	1688	1555	336	356	281	19.8	21.1	18.1	1359	1332	1274
Valdez	3133	3069	2990	515	503	537	16.4	16.4	18.0	2618	2566	2453
Interior Region	27840	28154	26254	4417	4691	3778	15.9	16.7	14.4	23423	23463	22476
Fairbanks	22652	22903	21356	3560	3779	3037	15.7	16.5	14.2	19092	19124	18319
Southeast Fairbanks	2206	2210	2145	291	292	307	13.2	13.2	14.3	1915	1918	1838
Upper Yukon	694	707	643	123	135	95	17.7	19.1	14.8	571	572	548
Yukon-Koyukuk	2288	2334	2110	443	485	339	19.4	20.8	16.1	1845	1849	1771
Northern Region	10266	9969	9822	934	841	971	9.1	8.4	9.9	9332	9128	8851
Barrow-North Slope	2670	2621	2609	153	159	222	5.7	6.1	8.5	2517	2462	2387
Kobuk	3220	3125	3083	324	292	336	10.1	9.3	10.9	2896	2833	2747
Nome	4376	4223	4130	457	390	413	10.4	9.2	10.0	3919	3833	3717
Southeast Region	31309	30521	30048	4642	4971	4478	14.8	16.3	14.9	26667	25550	25570
Angoon	427	422	416	74	84	78	17.3	19.9	18.8	353	338	338
Haines	1147	1100	1044	247	238	181	21.5	21.6	17.3	900	862	863
Juneau	10932	10475	10373	1253	1200	1091	11.5	11.5	10.5	9679	9275	9282
Ketchikan	6567	6523	6455	957	1148	1076	14.6	17.6	16.7	5610	5375	5379
Outer Ketchikan	876	909	898	215	276	264	24.5	30.4	29.4	661	633	634
Prince of Wales	1592	1567	1450	358	385	267	22.5	24.6	18.4	1234	1182	1183
Sitka	4369	4231	4332	458	484	582	10.5	11.4	13.4	3911	3747	3750
Skagway	1622	1598	1493	318	348	242	19.6	21.8	16.2	1304	1250	1251
Wrangell-Petersburg	3777	3696	3587	762	808	697	20.2	21.9	19.4	3015	2888	2890
Southwest Region	10151	9651	10621	1260	1081	1378	12.4	11.2	13.0	8891	8570	9243
Aleutian Islands	2605	2498	2766	187	167	252	7.2	6.7	9.1	2418	2331	2514
Bethel	3263	3089	3400	435	363	460	13.3	11.8	13.5	2828	2726	2940
Bristol Bay Borough	375	358	403	56	50	71	14.9	14.0	17.6	319	308	332
Bristol Bay	1364	1296	1383	170	145	142	12.5	11.2	10.3	1194	1151	1241
Kuskokwim	906	866	990	135	123	188	14.9	14.2	19.0	771	743	802
Wade Hampton	1638	1544	1679	277	233	265	16.9	15.1	15.8	1361	1311	1414

P/=Preliminary 1982 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

ANCHORAGE/MATSU

By Greg Huff

Labor Force

The unemployment rate in March for the Anchorage-MatSu region moved slightly upwards in response to a greater increase in the number of unemployed than expansion in employment. A rate increase in March is not rare; but it more commonly peaks in February and dips in March.

Nonagricultural Employment

March historically is a turnaround month in the seasonal employment cycle. This past winter employment dropped by 5,600. Like the winter of 1981-1982, this winter had fewer layoffs than past years. Construction employment losses totaled 4,550.

Because March marks the beginning of the seasonal upswing in overall construction activity, the month foreshadows what may be in store for the summer in Anchorage's most seasonally volatile industry —construction.

Total nonagricultural employment in March rose 1.0% over February. All major industry groups and government registered increases. First quarter data for 1983 show total employment growth of 9.1% over comparable 1982 data. Construction employment stands at 11.8% above first quarter 1982 levels.

Other construction activity indicators also show significant gains over 1982. Estimated value of construction projects by permits was up 120% over 1982's first quarter statistics. The number of issued housing permits for the first three months was up 32% over 1982, with condominiums leading the way.

First quarter estimated dollar valuation of commercial and residential construction permits for the Anchorage area topped $86 million and will continue to climb. The yearly total for 1982 hit $562.7 million. A substantial portion of the 1982 dollars are being carried over into this season. Federal, state and municipality sponsored road projects slated for the 1983 season reach over the $100 million mark.

The impact of the 1983 construction season is apparent. Although there are some real concerns expressed about office space capacity and residential unit vacancies, they will not affect near term employment. There is also a substantial switch this season from commercial office space to small malls and the remodeling of existing commercial units. An example of the impact of remodeling is reflected in the dollar valuations of permits issued for such projects, which has reached more than $12 million for the first quarter of this year compared to $1.4 million last year.

Consumer Prices

During 1982, inflation at the consumer level increased at the slowest pace since 1973. The Anchorage Consumer Price Index for all Urban Consumers (CPI-U) moved up 5.5% following increases of 10.2% and 8.0% in 1980 and 1981. All major categories of consumer spending, except entertainment, registered smaller increases in 1982 than the previous year. The moderation in the housing and the transportation components was largely responsible for the slowdown in the annual CPI-U in 1982.

Table I
Consumer Price Index
Percent Change

	1980-81	1981-82
All Items	8.0	5.5
Food & Beverage	5.2	3.1
Housing	7.6	6.1
Apparel & Upkeep	4.9	2.7
Transportation	12.7	4.5
Medical Care	10.2	9.2
Entertainment	8.6	10.3
Other	6.1	5.8

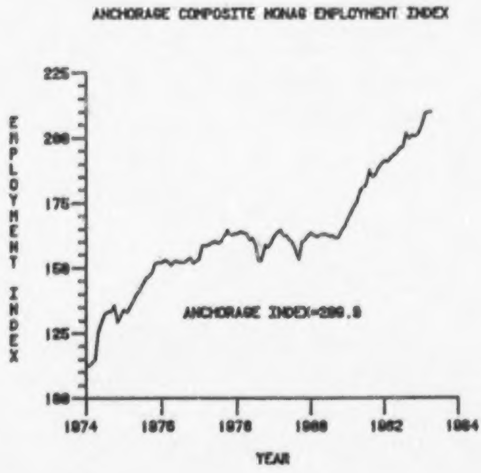
The transportation component experienced the sharpest deceleration.

The housing component, although not decelerating as briskly, has such a large weight on the over-all index (53%) that it exerts a substantial impact on the movement of the CPI.

Table II
Consumer Price Index
Percent Change

	1981	1982	Percent of Total Index
Transportation	12.7	4.5	16.8
Private transportation	10.8	3.1	14.8
Gasoline	15.0	-1.4	4.9
Public transportation	29.6	14.6	2.1
Housing*	7.6	6.1	53.3
Shelter	7.1	6.7	40.8
Rent, residential	6.8	22.2	6.0
Homeownership	7.1	4.0	34.2
Fuel & other utilities	12.0	2.0	3.8
Household furnishings & operations	8.3	5.4	8.8

* These data **do not** incorporate the new rental equivalence approach to estimating homeowner cost now used by the BLS. They do include and are heavily influenced by changes in home purchase and mortgage interest cost. Readers interested in a discussion of problems with the Anchorage housing component may refer to page 4 of the October 1982 *Trends.*



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

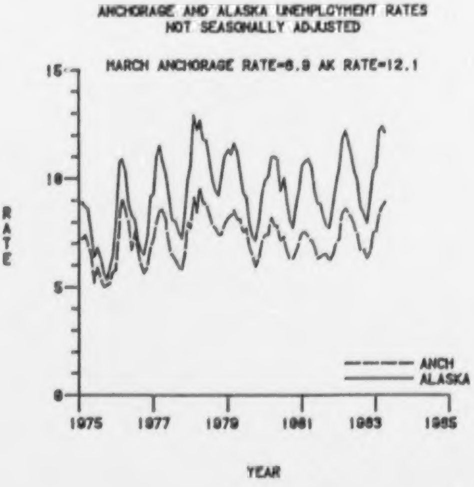
	P/ 3/83	*R/* 2/83	3/82	CHANGES FROM: 2/83	3/82
Nonag. Wage & Salary......	101100	100100	93150	1000	7950
Mining	3900	3800	4000	100	-100
Construction	6650	6400	6150	250	500
Manufacturing	2100	2050	1900	50	200
Trans. Comm. & Util.	9350	9300	8700	50	650
Trade	24300	24250	20650	50	3650
Finance-Ins. & R. Estate ..	6450	6350	5800	100	650
Services & Misc.	21650	21400	20000	250	1650
Government	26700	26550	25950	150	750

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/	R/		CHANGES FROM:	
	3/83	**2/83**	**3/82**	**2/83**	**3/82**
Nonag. Wage & Salary.	96700	95700	89100	1000	7600
Mining	3750	3650	3900	100	-150
Construction	6350	6100	6000	250	350
Manufacturing	2100	2000	1850	100	250
Food & Kindred Prod.	250	250	250	0	0
Other Mfg.	1850	1750	1600	100	250
Trans. Comm. & Util.	9050	8950	8300	100	750
Trucking & Whseing.	1400	1400	1250	0	150
Water Transportation	300	250	250	50	50
Air Transportation	3350	3300	3200	50	150
Other Transportation Comm. & Utilities	4000	4000	3600	0	400
Trade	23450	23400	19850	50	3600
Wholesale Trade	5300	5300	5050	0	250
Retail Trade.	18150	18100	14800	50	3350
Gen. Merchandise	1750	1750	1600	0	150
Food Stores.	2400	2400	2000	0	400
Eating & Drinking Places	6800	6800	5500	0	1300
Other Retail Trade	7200	7150	5700	50	1500
Finance-Ins. & R. Estate . .	6250	6150	5650	100	600
Services & Misc.	20400	20200	19150	200	1250
Government	25350	25250	24400	100	950
Federal	9650	9650	9450	0	200
State	6500	6450	6250	50	250
Local.	9200	9150	8700	50	500

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

FAIRBANKS/INTERIOR

By Neal Fried

The Unemployment Rate

Never has the unemployment rate received so much attention as it has during the past two years. It is being reported much like the stock market; every time it creeps upward or downward, mass speculations and interpretations are made as to why it changed and where it is going. The public awareness of this economic statistic has never been so acute, largely as a result of the screaming headlines it has garnered and the general coverage the news media has been giving it. It has become one of the most often quoted economic indicators today. Job seekers calling our office today will often inquire about our unemployment rate and base the decision to move or not to move on the answer, something almost unheard of two years ago.

Although the unemployment rate has received considerable media attention, it is a statistic that is often completely misunderstood by the public. One common misconception regarding the unemployment rate is that the unemployed counted in this statistic are only those collecting unemployment insurance. This group is a major component of the unemployed, but any person actively seeking work, regardless of whether or not they are receiving unemployment checks, is counted as being unemployed. Calculations based on surveys and census results are used to identify those unemployed who are not collecting unemployment benefits.

One group of persons which is unemployed and not counted are those people who have given up seeking work because they believe there is no work available. They are referred to as discouraged workers. This group grows in numbers during prolonged periods of economic recession and depression. Nationally this group has grown with the present recession; but, in Fairbanks and Alaska's urban areas, it may possibly have declined because employment has grown during the past two years. In Alaska's rural areas it is generally believed that there is a large group of discouraged workers because of the scarcity of employment opportunities.

Economists have defined 4 types of unemployment: 1) frictional, 2) seasonal, 3) structural, and 4) cyclical.

Frictional unemployment is usually only temporary. It happens when a person voluntarily quits and is unemployed for a short time between jobs.

In the Interior, the seasonality of the economy due to weather accounts for a very large percentage of the unemployed. No specific percentage is

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P/ 3/83	R/ 2/83	3/82	CHANGES FROM: 2/83	3/82
Nonag. Wage & Salary	27100	27100	25650	0	1450
Mining	300	300	250	0	50
Construction	1700	1850	1550	-150	150
Manufacturing	450	450	400	0	50
Trans. Comm. & Util.	3500	3500	3450	0	50
Trade	4750	4700	4300	50	450
Finance-Ins. & R. Estate	900	900	850	0	50
Services & Misc.	4950	4950	4800	0	150
Government	10550	10450	10050	100	500

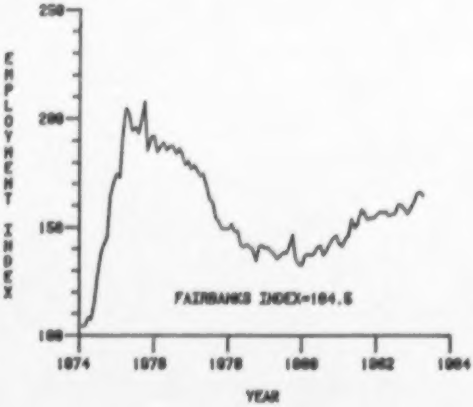
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

FAIRBANKS COMPOSITE NONAG EMPLOYMENT INDEX



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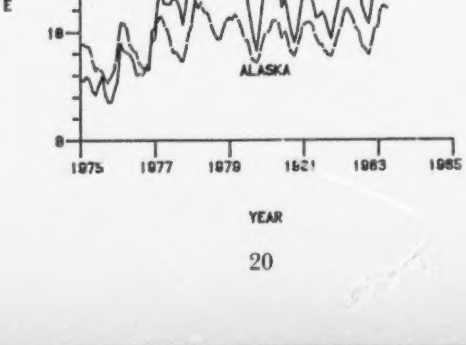
calculated, but it is not unusual to have the unemployment rate fluctuate from 8.5% in September to 15% in February during a one year period. The climate in the Interior simply precludes or puts a damper on particular activities in the winter. Much of the construction, transportation, mining and tourism industries pull in their horns for the winter causing a roller coaster effect on Fairbanks' unemployment rate. In 1982, 41.7% of workers covered by unemployment insurance in Alaska's labor force earned their living in six months or less.

Structural unemployment is very different. Structural unemployment results from a mismatch of skills a worker has and skills an employer seeks. Nationally there is presently a great deal of discussion regarding structural unemployment because of the high unemployment found in the auto and steel industries. There is always some structural unemployment in the economy simply because the demand for particular skills is always changing. No one specific industry in Fairbanks can be identified readily today as a major contributor to structural unemployment.

The fourth type of unemployment is cyclical unemployment. This typically refers to the business cycle. This is the major contributor to the nation's unemployment today. The Fairbanks' economy is not contracting presently (it is actually growing), but it is feeling some of the effects of the present national recession, since many of the unemployed job seekers from elsewhere in the country come to Fairbanks to find work. A good example of this type of unemployment in Fairbanks occurred when the construction



FAIRBANKS AND ALASKA UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED

of the oil pipeline was completed and the economy contracted, employment declined and the unemployment rate soared to a record annual average of 17.6% in 1978, hitting a high of 20.2% in January and February.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK FAIRBANKS

	P/	R/		CHANGES FROM:	
	3/83	**2/83**	**3/82**	**2/83**	**3/82**
Nonag. Wage & Salary	23450	23450	22400	0	1050
Mining	100	100	100	0	0
Construction	1400	1550	1350	-150	50
Manufacturing	400	400	400	0	0
Trans. Comm. & Util.	2700	2700	2650	0	50
Trucking & Whseing.	500	500	500	0	0
Air Transportation	600	600	600	0	0
Other Trans. Comm. & Utilities	1600	1600	1550	0	50
Trade	4500	4350	4100	150	400
Wholesale Trade	800	800	800	0	0
Retail Trade	3700	3550	3300	150	400
Gen. Merchandise & Apparel	400	400	350	0	50
Food Stores	700	650	650	50	50
Other Retail Trade	2600	2500	2300	100	300
Finance-Ins. & R. Estate	850	850	850	0	0
Services & Misc.	4650	4650	4450	0	200
Government	8850	8850	8500	0	350
Federal	2350	2350	2250	0	100
State	3850	3850	3650	0	200
Local	2650	2650	2600	0	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

GULF COAST

By Neal Fried

Unemployment

The Gulf Coast region's unemployment rate of 16.5% represents the third straight month with declines in joblessness. The divisions' rates within the region vary from a high of 19.8% in Seward to a low of 8.1% in Kodiak. The seasonal upturn in employment has definitely hit the region, allowing workers to return to work after many months of winter unemployment. This trend should continue for the next 5-6 months as all industries get into full swing. The labor market will remain competitive, however, and as in the past, the region will be plagued with more jobseekers than jobs.

Fishing

The industries most responsible for this month's gains in employment are fish processing and construction, the two industries that bottom out in the winter and begin to gain vigor in the spring. This is particularly evident in Kodiak. After months of dismal shellfish catches, March brought with it some tanner catches large enough so that canneries could recall many of their employees. Kodiak's unemployment rate dove from 14% in February to 8.1% in March. This is not an aberration. It is par for the course in such an unpredictable industry. Most other areas in the region have not been as fortunate this year, as they continue to suffer from poor shellfish catches. With the herring season just around the corner and the salmon season not that far away, this industry should continue to add workers to its ranks through most of the remaining spring and summer seasons, with dips and peaks throughout the season.

With the exception of the food processing industry, almost all other industries have remained above last year's level. The only other industry that did not post gains but remained stable was mining. The mining employment is found almost entirely in the Kenai oil fields.

First Quarter Wage and Salary Employment

Overall wage and salary employment for the first quarter of this year for the region is 6.5% above last year's first quarter. Construction has posted the largest gains (31%) as a myriad of public projects are presently under construction in the region (See March *Trends*). Trade, services and finance, insurance and real estate have all made significant gains. Government employment also made modest advances (3.8%). This over the year growth of total wage and salary employment should continue through the year, unless an unlikely scenario occurs. Such a scenario would be the fishing season falling so far short of projections that the losses in this industry could be greater than the gains made in the other industries.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	R/			
	3/83	**2/83**	**3/82**	**2/83**	**3/82**
Nonag. Wage & Salary......	16250	16200	15200	50	1050
Mining	900	900	900	0	0
Construction	1050	950	750	100	300
Manufacturing	2400	2300	2350	100	50
Food & Kindred Prod.....	1700	1600	1650	100	50
All Other Mfg.	700	700	700	0	0
Trans. Comm. & Util	2000	2100	1750	-100	250
Trade	2450	2450	2250	0	200
Wholesale Trade	400	400	350	0	50
Retail Trade..............	2050	2050	1900	0	150
Finance-Ins. & R. Estate ..	450	450	400	0	50
Services & Misc...........	2450	2450	2350	0	100
Government	4550	4600	4450	-50	100
Federal	500	550	500	-50	0
State	1300	1300	1300	0	0
Local......................	2750	2750	2650	0	100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

SOUTHEAST

By Brit Harvey

Southeast Alaska nonagricultural wage and salary employment was 27,500 in March, a 4.6% increase over February, and 5.2% higher than last year.

Logging employment doubled, as several camps opened for spring. Overall, forest products employment remained slightly below last year, and the outlook for this year remains poor. Japanese demand remains weak for cants and logs.

The predicted post-capital move rejection Juneau building boom appears to be shaping up strongly on the commercial side. Whether or not housing construction will exceed last year's record pace is unclear. Some sources predict fewer new dwelling units this year, citing the large number of houses already on the market and the continuing availability of condominium units in developments begun last summer. On the other hand, the number of building permits issued in the first quarter of 1983 is approximately double the number issued during the first quarter of 1982. Either way, construction employment should be up strongly in Juneau this summer with trade and services following later in the year.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	3/83	**2/83**	**3/82**	**2/83**	**3/82**
Nonag. Wage & Salary	27500	26300	26150	1200	1350
Construction	1550	1300	1000	250	550
Manufacturing	2950	2400	2850	550	100
Food & Kindred Prod.	900	850	750	50	150
Lumber & Paper Prod.	1850	1350	1900	500	-50
All Other Mfg.	200	200	200	0	0
Trans. Comm. & Util.	2150	2050	2400	100	-250
Trade	4350	4250	3850	100	500
Wholesale Trade	200	200	250	0	-50
Retail Trade	4150	4050	3600	100	550
Finance-Ins. & R. Estate	1050	1000	1000	50	50
Mining, Svcs. & Misc.	3400	3350	3350	50	50
Government	12050	11950	11700	100	350
Federal	2200	2200	2250	0	-50
State	6000	5900	5400	100	600
Local	3850	3850	4050	0	-200

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

HOURS AND EARNINGS

By John Boucher

February's hours and earnings showed little change from January, an exception being Alaska's volatile manufacturing industry, which showed an overall increase in average weekly hours of 7%.

The climb in average weekly hours in manufacturing was largely due to increased activity in the food and kindred products sector of the manufacturing industry. Average weekly hours in food and kindred products jumped 53% over January and average weekly earnings increased 40% over the same period. These increases reflect the gearing up of several seafood processing plants for the tanner crab harvest following a poor king crab season.

The increase in hours and earnings in manufacturing might have been greater had the gains in food and kindred products not been somewhat offset by a decrease in hours and earnings in the lumber and paper products sector. The decrease in average weekly hours in this sector was largely due to the inactivity of Southeastern logging camps. However, hours could pick up in March as camps increase employment in preparation for summer activity.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 2/83	r/ 1/83	2/82	p/ 2/83	r/ 1/83	2/82	p/ 2/83	r/ 1/83	2/82
MINING	$22.54	$22.82	$20.78	48.6	50.5	51.2	$1095.44	$1152.41	$1063.94
CONTRACT CONST.3/	23.93	23.62	22.49	40.4	40.1	43.7	966.77	913.48	982.81
MANUFACTURING	13.34	14.69	12.86	32.5	30.4	39.0	433.55	446.58	501.54
Food & Kindred Prod.	8.30	9.04	8.21	26.9	17.6	32.8	223.27	159.10	269.29
Lumber & Paper Prod.	16.94	17.25	15.28	36.4	38.5	44.2	616.62	664.13	675.38
TRANS., COMM. & UTIL.	15.38	15.04	14.89	36.4	37.4	37.3	559.83	562.50	555.40
TRADE	9.56	9.80	9.54	34.4	34.3	33.5	328.86	336.14	319.59
Wholesale Trade	11.17	11.37	11.09	37.5	37.0	37.2	418.88	420.69	412.55
Retail Trade	8.88	9.17	8.84	33.2	33.3	32.1	294.82	305.36	283.76
FINANCE, INS. & R.E.	--	--	--	--	--	--	353.69	377.62	342.81

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

6/29/83 S0320-1 A

JUNE 1983

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska

1 Employment Outlook 1983-1988

11 Anchorage Services Employment

ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
Brit Harvey, *Editor*

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

June 1983
Volume 3
Issue 6

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, juneau, Alaska 99802.

EMPLOYMENT OUTLOOK 1983-1988

By Brit Harvey

METHODOLOGY

A discussion of likely trends in Alaska nonagricultural wage and salary employment, overall and by industry, is presented below for the period 1983 to 1988. This outlook is based on Research and Analysis staff judgement. Major assumptions are noted where appropriate.

OVERVIEW

The Alaska economy is currently experiencing rapid growth. The primary cause of this growth is State spending and lending of Prudhoe Bay revenue. A November 1982 study found a close correlation (R^2=.85) between State expenditures and employment.*1/* While the exact degree of influence is debatable, it is clear that State expenditures are driving the economy. State expenditures are the key economic variable during the forecast period.

State expenditures are essentially a function of three variables; Prudhoe Bay (including Kuparuk) production, the price of Prudhoe Bay crude oil, and the lag time between receipt and actual warrant expenditure of State income. Prudhoe Bay is currently very close to peak production of 600 million barrels per year. Production will decline rapidly, beginning about 1988. The probability of new fields contributing significantly to the State's income as Prudhoe Bay declines has been estimated at less than 1%. The probability of other sources, such as income taxes or coal production taxes, contributing significantly during the decline approaches zero. Only Prudhoe Bay natural gas could slow the decline, and this appears very unlikely. Of all the economic factors influencing Alaska employment, the decline of Prudhoe Bay production and the impossibility of replacing the State's Prudhoe Bay income flow are the most predictable.

The price received for Prudhoe Bay crude was $27 per barrel (FOB U.S. Gulf Coast) in March 1983. (This price is about $1 below the comparable delivered spot price for Saudi light crude.)

It is assumed that the Alaska crude price will continue to fall gradually to about $25 per barrel, and will remain at this level throughout the forecast period. This assumption might be considered conservative in the chaotic world oil market.

While Prudhoe production is largely an environmental given and world oil prices are beyond the control of any organization, the lag time between State oil income receipt and expenditure is at least theoretically a public policy. A recent study*2/* outlined a scenario where the State could cut spending, increase savings, and operate comfortably off the interest indefinitely. The opposite scenario is rapid spending of State revenue accompanied by State borrowing to "leverage" the Prudhoe Bay wealth. All indications are that the State is following the latter course. Lacking evidence of an overriding public will to save the Prudhoe Bay inheritance and curtail current spending, the assumption is made that the current pattern of State spending will continue. This means disbursement in some manner of permanent fund dividends, substantial additions to bonded indebtedness, allocations of almost all revenues in the year they are forecast to be received, and a substantial lag between allocation and actual warrant expenditure due to administrative delay.*3*/

Population is another variable best discussed in overview. The relationship between population and employment is important and complex. Increasing employment opportunities trigger in-migration, which creates further new job opportunities. This positive feedback cycle is currently operating strongly.

The assumption is made that national unemployment rates will remain at 10.0% or above through 1983, and will remain above 8.5% throughout the forecast period. This will produce in-migrant pressure, particularly during 1983. The extremely rapid population growth of the last two years is assumed to continue through 1983, and to decelerate in 1984, reaching a plateau in 1985, and showing only slight increases for the rest of the forecast period.

Nonagricultural wage and salary employment will increase by 5% during 1983. Construction and secondary industries will drive this growth. 1984 is likely to see a leveling off of employment growth.

Under the assumptions presented above, little growth can be expected during 1985-87. 1988, the five-year horizon of this forecast, is likely to see an employment decline of about 3%. The decline of Prudhoe Bay production will be inescapable, as state and local government layoffs combine with secondary industry contraction to reduce employment. No major project will take up the slack. The business and employment outlook will be bleak.

It should be noted that the potential exists for a statewide depression occurring in the mid to late 1980's. Several economists have made such a forecast. While this scenario is considered less likely than that presented above, the sensitivity of Alaska's economy to volatile oil prices introduces uncertainty into any forecast. The possibility of economic contraction occurring prior to Prudhoe Bay's decline deserves consideration.

MAJOR INDUSTRY FORECASTS

MINING 8,900 (1982 Annual average employment)

OIL AND GAS

Oil and gas employment will remain stable in 1983, and increase at about 3% annually from 1984 through 1988. Growth will be driven by statewide exploration and preliminary development of Beaufort Sea fields. The large payments made for Beaufort Sea leases, Alaska's high potential for giant fields, and the oil pipeline owners' need for crude to send through the pipeline following Prudhoe Bay's decline, all insure prompt, continuing investment in Alaska. Relatively tight industry budgets will slow this growth somewhat, and will prevent growth in employment during 1983.

OTHER MINING

Despite widespread publicity, non-oil mining is a minor industry in Alaska (9% of mining employment), and will remain so throughout the forecast period. The following projects will not affect employment significantly during the forecast period: Diamond Shamrock/CIRI Beluga coal, Placer Amax synthetic fuels, Cominco/NANA metals, and (due to small size) Noranda metals. The U.S. Borax molybdenum project must currently be considered questionable due to extremely poor molybdenum markets and projected poor world steel markets during the forecast period.

FORECAST - Gradual growth from 1984 through 1988, with possible faster growth in 1987 and 1988 due to the Borax project.

CONSTRUCTION 14,100

Construction is primarily a function of state expenditures and oil industry investment. Oil industry construction expenditures will peak during 1983. By 1984 the massive investment in Prudhoe/Kuparuk will be largely complete, and construction employment will decline sharply on the North Slope. Further declines are expected in 1985. Beyond 1985 construction employment is likely to increase somewhat due to Beaufort Sea exploration and development.

Non-oil related construction will follow a different trend. Following a post-pipeline peak in 1983 (8-10% annual growth), construction will drop in 1984 and will continue to decline through the forecast period. The pattern is closely related to state expenditures.

FORECAST - 11% growth in 1983, followed by a steep decline in 1984, and further declines through 1988.

MANUFACTURING 11,600

FOOD AND KINDRED

This sector is heavily influenced by the size of fish runs, which are difficult to forecast. A small decline is likely in 1983. Beyond 1983 it is assumed that employment will be stable. Significant increases in bottomfish processing employment are assumed not to occur during the forecast period.

FOREST PRODUCTS

A slight recovery may occur in 1983 due to increased Japanese demand. Beyond this point there is no reason to assume any further recovery will occur. There is the possibility of temporary or permanent employment declines should industry firms encounter further financial difficulties.

OTHER MANUFACTURING

It appears that Tesoro will expand its refinery, marginally increasing employment. Elsewhere, other manufacturing will behave similarly to the secondary industries.

FORECAST - Modest growth in 1983 and 1984. No growth through 1985 and 1986. Decline in 1988.

GOVERNMENT 60,200

FEDERAL

Federal government employment has remained flat during the 1980's. There is no reason to expect a change in this trend. Population-driven increases will be balanced by cutbacks in other programs.

STATE AND LOCAL

The Sheffield administration appears to be making a sustained effort to limit state government employment growth. The proposed zero-based budget for SFY85 can be expected to result in cutbacks. Population growth will put upward pressure on State employment for at least two years. Revenue declines will exert downward pressure, although the timing is a political question.

Local government employment will be heavily influenced by State contributions to local budgets. Local government is even more sensitive to population related demands.

FORECAST - Government employment will increase slightly in 1983, and gradually decline through the remainder of the forecast period. The potential exists for growth in the earlier period followed by a crisis collapse in State and local employment in the late 1980's.

SECONDARY INDUSTRIES 96,800

State expenditures and population are the primary influences on the secondary industries. The maturing of Alaska's economy during the current boom has increased the per capita secondary industry employment, which further increases population. This feedback phenomenon will also operate in reverse during the late 1980's, although not as strongly as during the growth phase.

FORECAST - 7% increase in 1983, 4-5% growth in 1984, 1% growth in 1985, flat in 1986 and 87, and a 2% decline in 1988.

SOURCES:

1/ "State Spending and the Alaska Economy", Erickson and Associates; Nov. 1982.

2/ "Sustainable Spending Levels from Alaska State Revenues;" Scott Goldsmith; March 1983.

3/ See 1 above.

Alaska Annual Average
Nonagricultural Wage and Salary Employment Forecasts
1983-1988 1/

	1982	1983	1984	1985	1986	1987	1988
TOTAL	194,400	204,100	206,100	206,100	206,100	205,700	199,500
Mining	9,100	9,100	9,400	9,700	10,000	10,200	10,300
Construction	14,500	16,000	13,200	12,200	11,100	10,900	10,000
Manufacturing	11,100	11,800	12,000	12,200	12,200	12,200	12,000
Food & Kindred	5,700	5,600	5,600	5,600	5,600	5,600	5,600
Lumber & Pulp	2,700	2,900	3,000	3,000	3,000	3,000	3,000
Other	2,700	3,100	3,400	3,000	3,600	3,600	3,400
Trans. Comm. & Util.	18,400	19,300	19,900	20,000	20,200	20,100	20,000
Trade	35,600	38,000	39,800	40,000	40,600	41,400	41,100
Finance-Ins. & Real Estate	9,400	10,300	10,900	11,000	11,200	11,400	10,900
Services	35,000	38,200	39,600	40,000	40,600	41,200	38,900
Government	61,200	61,400	61,100	61,000	60,200	59,200	58,300
Federal	17,900	17,900	17,900	17,900	17,900	17,900	17,900
State	17,800	17,900	17,800	17,600	17,300	17,000	15,800
Local	25,400	25,600	25,400	25,500	25,000	24,300	22,600

1/ Subcategories may not sum due to rounding.

Alaska Annual Average Percent Change
Nonagricultural Wage and Salary Employment Forecasts
1982-1988

	82-83	83-84	84-85	85-86	86-87	87-88
TOTAL	4.9	1.0	0.0	0.0	-0.2	-3.0
Mining	0.0	3.3	3.2	3.1	2.0	1.0
Construction	10.3	-17.5	-7.6	-9.0	-1.8	-8.3
Manufacturing	6.3	1.7	1.7	0.0	0.0	-1.6
Food & Kindred	-1.6	0.0	0.0	0.0	0.0	0.0
Lumber & Pulp	7.4	3.4	0.0	0.0	0.0	0.0
Other	14.8	9.7	5.9	0.0	0.0	-5.6
Trans. Comm & Util.	4.9	3.1	0.5	1.0	-0.5	-0.5
Trade	7.3	4.2	0.5	1.5	2.0	-0.7
Finance-Ins. & Real Estate	9.6	5.8	0.9	1.8	1.8	-4.4
Services	9.1	4.2	0.5	1.5	1.5	-5.6
Government	0.3	-0.5	-0.2	-1.3	-1.7	-4.9
Federal	0.0	0.0	0.0	0.0	0.0	0.0
State	0.6	-0.6	-1.1	-1.7	-1.7	-7.1
Local	0.8	-0.8	0.4	-2.0	-2.8	-7.0

ALASKA

By Brit Harvey

NONAGRICULTURAL EMPLOYMENT

Alaska nonagricultural wage and salary employment was 203,900 in April. This figure was 3.0% above March and 8.6% higher than April 1982.

Due to changes in the seasonal pattern of Alaska nonagricultural employment, it is difficult to interpret seasonally adjusted employment data. Despite a 0.4% monthly decline in April seasonally adjusted employment, it is likely that there was underlying economic expansion during the month. The seasonal adjustment procedure tends to overstate growth in the fall and understate growth during spring when applied to an economy experiencing abruptly diminished seasonality, as is the case in Alaska. The Composite Nonagricultural Employment Indexes published in *Trends* incorporate seasonal adjustment, and are affected by the phenomenon discussed above.

Construction employment surged in April, with 2,000 jobs added during the month. The April data are consistent with a construction season exceeding last year's post-pipeline record.

FOREST PRODUCTS

Despite forest products employment increasing by 300 jobs in April, the few bright spots for the industry are fading. Employment was down by 700 from last year's depressed level. While a temporary pulp mill closure accounted for about half of this annual decline, it appears that industry employment is beginning a third straight year of contraction. A mild winter in Southeast allowed an early spring opening of camps, creating a rise in employment. Rather than signaling a pickup in production, however, it appears likely that log demand will be quickly filled. The result may be simply a change in the timing of logging employment, rather than any increase.

The much-publicized national pick-up in housing starts is sputtering as long-term interest rates edge up. Some of the housing start surge is now being attributed to a weather-related seasonal adjustment anomaly.

The depressed Alaska forest products industry seems likely to continue its slump.

FEDERAL EMPLOYMENT

Federal government employment, which was stable during the first two

(Text continued on page 10)

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

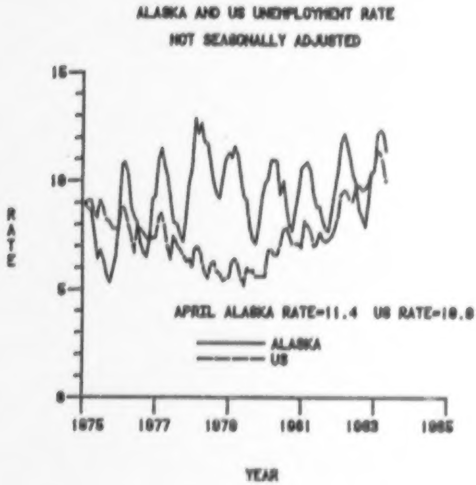
	P/	R/		CHANGES FROM:	
	4/83	3/83	4/82	3/83	4/82
Nonag. Wage & Salary	203900	198000	187800	5900	16100
Mining	9900	9500	8800	400	1100
Construction	15100	13100	13100	2000	2000
Manufacturing	9500	9200	9400	300	100
Food & Kindred Prod.	4300	4400	3700	-100	600
Lumber & Paper Prod.	2400	2100	3100	300	-700
All Other Mfg.	2800	2700	2600	100	200
Trans. Comm. & Util.	18800	18600	17500	200	1300
Trucking & Whseing.	2700	2600	2600	100	100
Water Transportation	1400	1400	1100	0	300
Air Transportation	5600	5600	5300	0	300
Other Trans. Comm. & Utilities	9100	9000	8500	100	600
Trade	38800	37900	34000	900	4800
Wholesale Trade	7700	7500	7000	200	700
Retail Trade	31100	30400	27000	700	4100
Gen. Merchandise & Apparel	4600	4400	3900	200	700
Food Stores	5000	5100	4200	-100	800
Eating & Drinking Places	10900	10600	9900	300	1000
Other Retail Trade	10600	10300	9000	300	1600
Finance-Ins. & R. Estate	9800	9600	9200	200	600
Services & Misc.	37200	36000	34200	1200	3000
Government	64800	64100	61600	700	3200
Federal	18100	18000	17400	100	700
State	19100	19000	18000	100	1100
Local	27600	27100	26200	500	1400

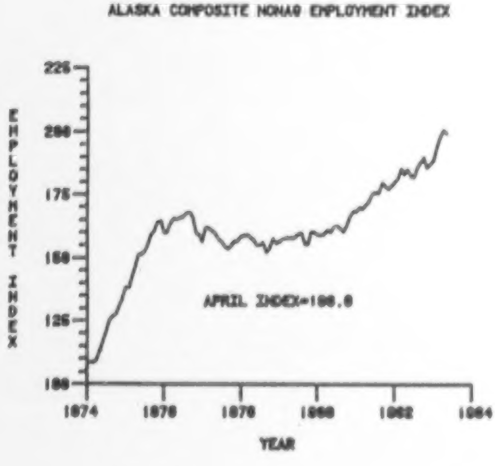
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.


ALASKA AND US UNEMPLOYMENT RATE
NOT SEASONALLY ADJUSTED
15
10
5
0
RATE
APRIL ALASKA RATE=11.4 US RATE=10.0
ALASKA
US
1975
1977
1979
1981
1983
1985
YEAR


ALASKA COMPOSITE NONAG EMPLOYMENT INDEX
225
200
175
150
125
100
EMPLOYMENT INDEX
APRIL INDEX=198.0
1974
1976
1978
1980
1982
1984
YEAR

years of the Reagan administration, is now increasing. The April figure was 4.0% above last year. This federal government employment growth is attributable to increased employment of civilians by the military. Although the Reagan administration military buildup is primarily oriented toward large weapons systems, it is having an impact on Alaska employment as well.

UNEMPLOYMENT

The number of unemployed Alaskans declined by over 1100 during April. The Alaska unemployment rate dropped to 11.4% from 12.2% in March.

ECONOMIC GROWTH AND UNEMPLOYMENT

It is frequently assumed that more jobs are the answer to the problem of high unemployment in Alaska. Available data continue to unequivically demonstrate that this assumption is false. Economic development has increased Alaska's population and unemployment rate.

The table below compares changes in employment and the unemployment rate for the post-pipeline years.

Changes in Alaska Employment and Unemployment

	Percent Change in Annual Average Non-Agricultural Employment	Percentage Point Change in Average Annual Unemployment Rate
77-78	2.9	1.7
78-79	-1.8	-1.7
79-80	3.1	0.3
80-81	7.7	-0.3
81-82	7.7	0.8
82-83 1/	8.6	0.3

1/ Average of first four months for both years.

As the table indicates, in only one period (80-81) did an employment increase result in an unemployment rate decrease, and the decrease was very small. In all other periods, the unemployment rate varied directly, though not proportionally, with employment. Employment expansion increases the number of Alaskans, but not the proportion of employed Alaskans.

ANCHORAGE/MATSU

By Greg Huff

Labor Force

The Anchorage-MatSu region's unemployment rate declined nearly a full percentage point in April. The unemployment rate will continue to decline through the summer, but the degree of decline will depend on the rate at which job-seekers migrate into the Anchorage labor market. In-migration is influenced by the perceived high wages and job opportunites in Anchorage relative to the rest of the nation.

Anchorage Employment

Anchorage nonagricultural wage and salary employment in April increased by 2.9%, while the over-the-year growth in employment was 9.2%. All industry groups experienced monthly increases, with 70% of the growth concentrated among the construction, trade and services industries. Yearly employment gains were spread throughout the economy, with trade and services employment, which represent more than 40% of all jobs in Anchorage, accounting for nearly 60% of the yearly gains.

Services Employment

The services sector, comprised of a wide spectrum of businesses ranging from lodging and health care to business services and private education, accounts for nearly 22% of all nonagricultural wage and salary jobs in Anchorage. This concentration of jobs in the services industry was not always so prominent. A service will only be provided locally if the cost is less than the cost (including transportation) of importing the same service. Hence, some basic changes had to occur within the Anchorage economy for demand to reach levels supporting the number and diversity of services now provided. Services growth reflects increases in population and personal income. Services employment increased more than 200% from 1970 to 1980.

(Continued on page 14)

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK ANCHORAGE

				CHANGES FROM:	
	P/ 4/83	R/ 3/83	4/82	3/83	4/82
Nonag. Wage & Salary	99800	97100	91450	2700	8350
Mining	4000	3750	3900	250	100
Construction	7300	6450	6700	850	600
Manufacturing	2200	2050	2050	150	150
Food & Kindred Prod.	300	250	400	50	-100
Other Mfg.	1900	1800	1650	100	250
Trans. Comm. & Util.	9300	9100	8650	200	650
Trucking & Whseing.	1450	1400	1300	50	150
Water Transportation	300	300	300	0	0
Air Transportation	3450	3350	3450	100	0
Other Transportation Comm. & Utilities	4100	4050	3600	50	500
Trade	24100	23650	20300	450	3800
Wholesale Trade	5450	5350	5100	100	350
Retail Trade	18650	18300	15200	350	3450
Gen. Merchandise	1850	1800	1650	50	200
Food Stores	2550	2450	2100	100	450
Eating & Drinking Places	6800	6800	5600	0	1200
Other Retail Trade	7450	7250	5850	200	1600
Finance-Ins. & R. Estate	6350	6200	5750	150	600
Services & Misc.	20900	20400	19500	500	1400
Government	25650	25500	24600	150	1050
Federal	9700	9700	9550	0	150
State	6550	6500	6300	50	250
Local	9400	9300	8750	100	650

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 4/83	R 3/83	4/82	P 4/83	R 3/83	4/82	P 4/83	R 3/83	4/82	P 4/83	R 3/83	4/82
Alaska Statewide	215868	211724	203057	24593	25737	22462	11.4	12.2	11.1	191275	185987	180595
Anch.-Matsu Region	111921	109713	103383	10072	10713	8993	9.0	9.8	8.7	101849	99000	94390
Anchorage	100824	98643	93245	8414	8818	7602	8.3	8.9	8.2	92410	89825	85643
Matanuska-Susitna	11097	11070	10138	1658	1895	1391	14.9	17.1	13.7	9439	9175	8747
Gulf Coast Region	22638	22689	21772	3662	3776	3773	16.2	16.6	17.3	18976	18913	17999
Cordova	1147	1186	1105	131	174	142	11.4	14.7	12.9	1016	1012	963
Kenai	11783	12007	11182	2114	2370	2011	17.9	19.7	18.0	9669	9637	9171
Kodiak	4989	4700	4946	656	381	836	13.1	8.1	16.9	4333	4319	4110
Seward	1668	1684	1555	315	335	271	18.9	19.9	17.4	1353	1349	1284
Valdez	3051	3112	2984	446	516	513	14.6	16.6	17.2	2605	2596	2471
Interior Region	28562	27832	26449	4726	4413	3861	16.5	15.9	14.6	23836	23419	22588
Fairbanks	23276	22645	21573	3848	3557	3163	16.5	15.7	14.7	19428	19088	18410
Southeast Fairbanks	2257	2206	2137	308	291	290	13.6	13.2	13.6	1949	1915	1847
Upper Yukon	705	693	652	124	122	101	17.6	17.6	15.5	581	571	551
Yukon-Koyukuk	2324	2288	2087	446	443	307	19.2	19.4	14.7	1878	1845	1780
Northern Region	10552	10301	9923	980	935	867	9.3	9.1	8.7	9572	9366	9056
Barrow-North Slope	2731	2679	2619	149	153	176	5.5	5.7	6.7	2582	2526	2443
Kobuk	3340	3231	3129	369	324	319	11.0	10.0	10.2	2971	2907	2810
Nome	4481	4391	4175	462	458	372	10.3	10.4	8.9	4019	3933	3803
Southeast Region	31687	31005	30794	3962	4638	3629	12.5	15.0	11.8	27725	26367	27165
Angoon	432	423	442	65	74	82	15.0	17.5	18.6	367	349	360
Haines	1115	1137	1041	180	247	124	16.1	21.7	11.9	935	890	917
Juneau	11169	10822	10882	1104	1252	1022	9.9	11.6	9.4	10065	9570	9860
Ketchikan	6558	6503	6489	726	956	775	11.1	14.7	11.9	5832	5547	5714
Outer Ketchikan	880	868	848	193	215	175	21.9	24.8	20.6	687	653	673
Prince of Wales	1568	1578	1452	285	358	195	18.2	22.7	13.4	1283	1220	1257
Sitka	4614	4325	4569	548	458	585	11.9	10.6	12.8	4066	3867	3984
Skagway	1602	1607	1517	246	317	188	15.4	19.7	12.4	1356	1290	1329
Wrangell-Petersburg	3749	3742	3554	615	761	483	16.4	20.3	13.6	3134	2981	3071
Southwest Region	10508	10184	10736	1191	1262	1339	11.3	12.4	12.5	9317	8922	9397
Aleutian Islands	2724	2613	2778	190	187	223	7.0	7.2	8.0	2534	2426	2555
Bethel	3386	3273	3459	422	435	470	12.5	13.3	13.6	2964	2838	2989
Bristol Bay Borough	379	376	401	45	56	64	11.9	14.9	16.0	334	320	337
Bristol Bay	1375	1368	1409	124	170	147	9.0	12.4	10.4	1251	1198	1262
Kuskokwim	958	909	990	150	135	175	15.7	14.9	17.7	808	774	815
Wade Hampton	1686	1645	1699	260	279	260	15.4	17.0	15.3	1426	1366	1439

P/=Preliminary 1982 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

BEST AVAILABLE COPY

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE/MATSU

	P/ 4/83	R/ 3/83	4/82	CHANGES FROM: 3/83	 4/82
Nonag. Wage & Salary	104650	101500	95500	3150	9150
Mining	4200	3900	4000	300	200
Construction	7650	6700	6850	950	800
Manufacturing	2250	2100	2100	150	150
Trans. Comm. & Util.	9750	9450	9000	300	750
Trade	25000	24450	21100	550	3900
Finance-Ins. & R. Estate	6600	6450	5900	150	700
Services & Misc.	22200	21700	20400	500	1800
Government	27000	26750	26150	250	850

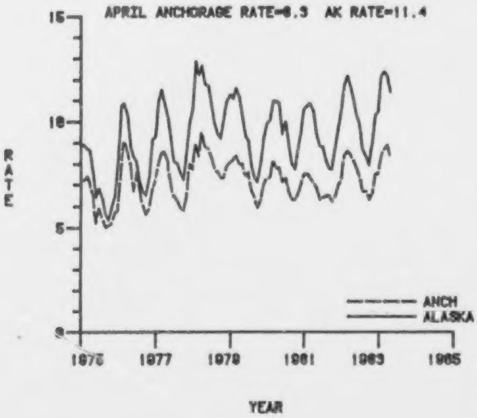
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

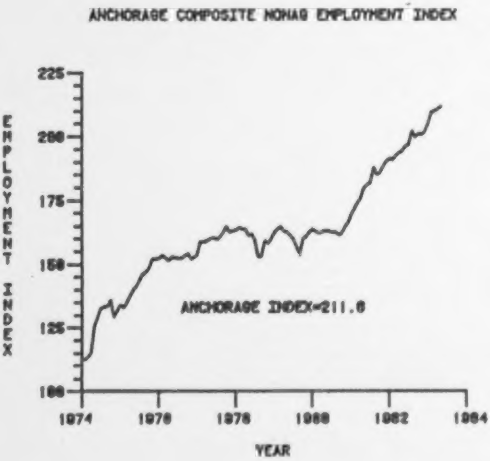
ANCHORAGE AND ALASKA UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED



Services Employment for Selected Categories
1970-1982

	1970	1975	1980	1982
Services	6,400	13,300	16,900	19,900
Hotel, motel	756	1,345	1,691	2,122
Business Services	1,188	3,524	3,323	4,076
Health care	1,200	2.286	3,030	3,572
Social services	N/A	1,006	1,878	N/A
Membershipclub services	789	889	1,731	N/A
Misc. services (including engineering and security services)	605	1,392	1,706	N/A

The major catalyst for change of the Anchorage economy was the establishment of military bases in the Anchorage area and the discovery and extraction of oil in Kenai and the North Slope. These events caused population and total personal income increases which led to increased market size and import substitution. Anchorage grew to a point where a diverse range of services could be supported locally and exported to locations across the state.



Services employment compared to total employment has increased from 12% in the early 1960s to 15% in 1970 and 22% by 1980. This shift, however, was not totally a result of Anchorage "growing up". The shift has been a nationwide pheonomenon as well. People and business have increased the utilization of older established services and are requiring new and specialized services.

Services Employment
Percent Share of Total Employment
Anchorage, Alaska, U.S.

	1964	1970	1975	1980
Anchorage	12.3	15.3	19.5	21.9
Alaska	9.6	13.2	16.2	17.7
U.S	14.9	16.4	18.2	19.8

FAIRBANKS/INTERIOR

By Neal Fried

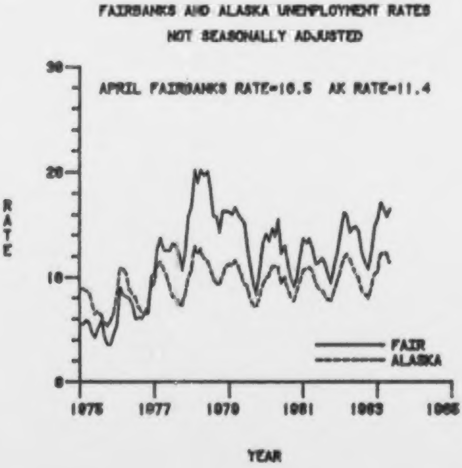
Layoffs

Though employment grew in Fairbanks in April, the figures were dimmed somewhat by the announcement of the combined loss of more than 100 jobs at Alascom and North Pole Refinery. The jobs lost at the refinery were immediate. Alascom's will be over a period of time, ending in October. Though these losses will hardly put a dent in Fairbanks' present employment statistics, the overall impact will be greater than the numbers indicate. Most of the jobs were well-paid, full-time, non-seasonal jobs and any loss of this type of employment in Fairbanks' seasonal economy is a blow.

Source of Fairbanks' Employment Growth

With a few exceptions, Fairbanks' economic indicators continue to chalk up gains. Banking deposits, building permits, and employment are all increasing. The process has been gradual, with no single project or industry responsible. Because there has been no highly visible project, such as the pipeline or a commercial construction boom, the source of this upswing has been a mystery to many. The stimulus providing this growth has emerged almost unnoticed.

The source of much of this stimulus has been State expenditures in the form of increased grants to local governments and schools, subsidized loan



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK FAIRBANKS

				CHANGES FROM:	
	P/	R/			
	4/83	**3/83**	**4/82**	**3/83**	**4/82**
Nonag. Wage & Salary	24100	23550	22900	550	1200
Mining	100	100	150	0	-50
Construction	1550	1400	1450	150	100
Manufacturing	400	400	400	0	0
Trans. Comm. & Util.	2800	2700	2650	100	150
Trucking & Whseing.	550	500	450	50	100
Air Transportation	600	600	600	0	0
Other Trans. Comm. & Utilities	1650	1600	1600	50	50
Trade	4750	4550	4300	200	450
Wholesale Trade	850	850	800	0	50
Retail Trade	3900	3700	3500	200	400
Gen. Merchandise & Apparel	450	400	350	50	100
Food Stores	700	700	650	0	50
Other Retail Trade	2750	2600	2500	150	250
Finance-Ins. & R. Estate	900	850	850	50	50
Services & Misc.	4750	4650	4550	100	200
Government	8850	8900	8550	-50	300
Federal	2250	2350	2200	-100	50
State	3900	3900	3700	0	200
Local	2700	2650	2650	50	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

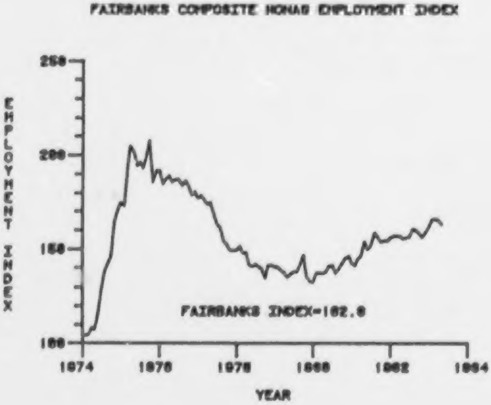
	P/ 4/83	*R/* 3/83	4/82	CHANGES FROM: 3/83	 4/82
Nonag. Wage & Salary	27700	27150	25850	550	1850
Mining	300	300	300	0	0
Construction	1800	1700	1550	100	250
Manufacturing	450	450	400	0	50
Trans. Comm. & Util.	3500	3500	3400	0	100
Trade	5100	4750	4500	350	600
Finance-Ins. & R. Estate	950	900	850	50	100
Services & Misc.	5050	4950	4800	100	250
Government	10550	10600	10050	-50	500

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.



programs, income tax relief, permanent fund dividends, increased State and University employment, capital project spending, funding to non-profit groups and hiring of consultants. Increased disposable income and economic expansion have resulted. The simple repeal of the State income tax in 1980 would not have had this effect if oil revenue had not replaced income taxes.

Loan programs have also had an effect. Through the subsidization of interest rates, the State is effectively making cash outlays to individuals and firms. The loans, in most cases, stimulate already existing industries, but in some cases a subsidized loan program may provide the incentive to create new industries.

State spending has also increased State government and University employment. No total dollar amount can be easily calculated for these various programs. State spending as a stimulus of economic growth is important to consider in view of declining oil revenues.

It would be inaccurate to attribute all of Fairbanks' economic growth to State spending, however. Prudhoe Bay activity has been on the upswing during the past two years and will reach a peak this year. This has provided additional direct and indirect employment to Fairbanks residents. Fairbanks' growing population also has induced some of the economic growth taking place today.

GULF COAST

By Neal Fried

Employment

Gulf Coast's employment did not begin its usual spring surge but instead stayed even with March. Most of the region's industries posted gains, but seafood processing took an unusual downturn in April with 300 fewer jobs. Employment in this industry fell because the shellfish catch nearly halted in April. There was very little fishing activity in Kodiak, and only select fisheries open elsewhere in the region. The fisheries in many cases were closed earlier than normal, due in large part to the continued shortfalls that have plagued the region over the entire year.

The Herring Fishery

The brief herring season helped shore up some of the shellfish losses. This fishery lasts from a few hours in some areas to almost six weeks in Kodiak. The herring are harvested almost entirely for their roe, which ends up on dinner tables in Japan and Korea. Herring fisheries this year took place in Prince William Sound, Kodiak and upper Cook Inlet, with mixed results. Kodiak and upper Cook Inlet experienced better than average catches, while the Prince William Sound fishery was hampered by poor weather, causing their catch to fall 50% below last year. The prices were up this year, an extra bonus for those fisheries that had better than average catches, and helped to make up for some of the shortfall experienced in Prince William Sound.

It is difficult to estimate the number of people involved in the harvest, but according to the Alaska Department of Fish and Game, there were approximately 300 gill netters, set netters and seine boats in the region's fishery. Fish and Game also estimated that there were roughly 250-300 kelpers in the herring fishery. If the crews of the boats were counted, along with the tenders and spotting planes, there were well in excess of 1,200 people in the region involved in this very short fishery. This number would climb significantly if the fish processing workers were included, but there is no accurate method of separating the fish processing workers handling herring from those processing other species.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/ 4/83	*R/* 3/83	4/82	3/83	4/82
Nonag. Wage & Salary	16350	16350	15500	0	850
Mining	850	900	900	-50	-50
Construction	1200	1100	950	100	250
Manufacturing	2150	2400	2150	-250	0
Food & Kindred Prod.	1400	1700	1400	-300	0
All Other Mfg.	750	700	750	50	0
Trans. Comm. & Util.	1900	1950	1750	-50	150
Trade	2500	2450	2350	50	150
Wholesale Trade	400	400	400	0	0
Retail Trade	2100	2050	1950	50	150
Finance-Ins. & R. Estate	450	450	400	0	50
Services & Misc.	2550	2450	2400	100	150
Government	4750	4650	4600	100	150
Federal	500	500	500	0	0
State	1400	1350	1350	50	50
Local	2850	2800	2750	50	100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment increased to 27,850 jobs during April. The increase of 1,450 jobs represented a 5.3% growth in Southeast employment compared to March. A year to year comparison showed Southeast employment growth of 1,000 jobs since April of 1982. The increase represented 3.6% growth over last April.

The annual increase was largely due to activity in the construction and retail trade sectors, while the monthly increase was concentrated in the construction and manufacturing industries. Sitka and Ketchikan fish processing employment was boosted by an outstanding herring harvest early in the month. The lumber and paper sector also expanded employment

Construction was a heavy contributer to increased April employment. An estimated 400 jobs were added during the early spring. Construction activity in Southeast appears to be largely in Juneau, with new commercial construction leading the way. Construction will be a large contributer to employment in Southeast during the next several months, and retail trade should follow with increases as newly constructed business space becomes operable.

Looking at a year-to-year comparison, three industries accounted for most of the employment growth. Retail trade, construction and government all expanded, while manufacturing contracted. The contraction in manufacturing was due to the 750 fewer jobs in the lumber and paper products sector. This number is exaggerated due to a pulp mill being shutdown for part of the month.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	4/83	**3/83**	**4/82**	**3/83**	**4/82**
Nonag. Wage & Salary......	28850	27400	27850	1450	1000
Construction	1900	1500	1350	400	550
Manufacturing	3700	2900	4050	800	-350
Food & Kindred Prod.....	1700	1050	1300	650	400
Lumber & Paper Prod....	1750	1600	2500	150	-750
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Util.	2150	2150	2450	0	-300
Trade	4450	4400	3900	50	550
Wholesale Trade	200	250	250	-50	-50
Retail Trade..............	4250	4150	3650	100	600
Finance-Ins. & R. Estate ..	1050	1000	1000	50	50
Mining, Svcs. & Misc.	3550	3400	3450	150	100
Government	12050	12050	11650	0	400
Federal	2200	2200	2250	0	-50
State	6000	5950	5450	50	550
Local.....................	3850	3900	3950	-50	-100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

HOURS AND EARNINGS

By Brit Harvey

The only significant change in March hours and earnings data was a decrease over the year in contract construction average weekly earnings. While other industries increased, as would be expected, construction showed a 6.2% decrease. The primary cause of the decline is fewer overtime hours worked this March than last. It is possible that wages for regular hours may also have declined, perhaps indicating more non-union construction. This can not be proven or disproven with these data. Future months where average weekly hours show less discrepency may provide more information concerning this issue.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/	r/		p/	r/		p/	r/	
	3/83	2/83	3/82	3/83	2/83	3/82	3/83	2/83	3/82
MINING	$21.98	$22.54	$20.75	51.9	48.6	51.0	$1140.76	$1095.44	$1058.25
CONTRACT CONST.3/	23.50	23.89	22.12	41.6	40.1	47.1	977.60	957.99	1041.85
MANUFACTURING	13.06	13.41	12.55	35.6	32.8	34.3	464.94	439.85	430.47
Food & Kindred Prod.	8.75	8.57	8.40	31.1	27.1	28.0	272.13	232.25	235.20
Lumber & Paper Prod.	16.34	16.73	15.54	41.8	37.5	40.4	683.01	627.38	627.82
TRANS., COMM. & UTIL.	15.73	15.43	15.03	35.8	36.7	36.3	563.13	566.28	545.59
TRADE	9.70	9.71	9.62	34.8	34.4	33.4	337.56	334.02	321.31
Wholesale Trade	11.75	11.55	11.29	37.6	37.4	37.3	441.80	431.97	421.12
Retail Trade	8.83	8.93	8.84	33.8	33.3	31.9	298.45	297.37	282.00
FINANCE, INS. & R.E.	--	--	--	--	--	--	345.67	353.69	325.60

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

8/3/83 SO320-1 A

JULY 1983

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska

1 Employment in Computer Related Occupations

ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
Brit Harvey, *Editor*

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

July 1983
Volume 3
Issue 7

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

EMPLOYMENT IN COMPUTER-RELATED OCCUPATIONS

By Betsy Jensvold

Due to the explosive growth in the use of computers, interest has increased in computer-related occupations. Forecasts concerning the direct and indirect employment impacts of computers vary. Despite the fact that computers will impact a wide variety of occupations, five occupations can be identified which are most closely related to use of computers. These five occupations; systems analysts, computer programmers, computer operators, data entry clerks, and computer service technicians, are the primary focus of this article.

Systems Analysts design electronic data processing (EDP) systems. This involves analysis, planning and implementation of equipment (hardware) and program (software) aspects of an overall EDP system. Systems analysts should be able to think logically, work well with others, and deal effectively with abstract ideas.

Computer Programmers develop coded instructions that allow computers to accomplish EDP tasks. There are two types of programmers; systems programmers and applications programmers. Systems programmers write programs which provide computers with the general capability to do specific tasks. Applications programmers write programs which do specific tasks, such as print payroll checks or make scientific calculations. The abilities required in programming are similar to those required of systems analysts.

Computer Operators run computers and peripheral equipment. This involves loading of input media, such as tapes, disks and cards, monitoring the system, and solving any operating problems which occur. This occupation requires mechanical and reasoning abilities.

Data Entry Clerks use equipment such as CRT terminals and keypunch machines to convert data into forms which can be used by EDP systems. Manual dexterity and tolerance for stress, monotony and noise are important.

Computer Service Technicians install and service EDP equipment. They must have thorough technical knowledge of EDP equipment, mechanical ability, and be able to work independently.

Education and Training

Minimum Entry Requirements

Systems Analysts: Although requirements vary, a bachelor's degree with courses in computer science is generally the minimum requirement. Related work experience and/or a graduate degree may be required by some employers.

Computer Programmers: There are no universal requirements. Most programmers are college graduates. Engineering and scientific applications usually require a degree in computer science. Experience and/or education in the field in which the programmer is working (accounting, statistics, etc.) is helpful. Individuals interested in computer programming should choose a field in advance and train appropriately.

Computer Operators and Data Entry Clerks: High school graduation is the minimum educational requirement. Formal training is desirable because most employers look for applicants who are already skilled in operating data entry equipment or computer consoles. Employers generally prefer computer operators who have some community or junior college education, although they provide additional training on the job.

Computer Service Technicians: Employers usually require applicants to have one to two years of post-high school training in basic electronics or electrical engineering from a computer school, technical institute, junior college, or four-year college. A few technicians are trained through apprenticeship programs or the Armed Forces.

Educational Programs in Alaska

Alaska has few computer science programs, compared to other states. A certificate in data processing is available from the University of Alaska Juneau (UAJ). This program requires about one year to complete (34 semester hours). A two-year associate degree program is available at Anchorage Community College (ACC). Fairbanks' (UAF) associate degree program is being phased out and only those who are already enrolled in it are being allowed to complete it. Four-year bachelor's degree programs are available at UAF and the UA Anchorage (UAA). Both programs are new. Additionally, UAJ offers a Bachelor's of Business Administration with an emphasis in computer information systems. This program is entering its third year. No graduate degree programs are currently available in the field of computer science in Alaska.

Alaska Supply Information

Few people have completed computer science degree or certificate programs in Alaska, although the numbers are increasing. The table on page 7 shows the number of people who have been awarded such degrees anywhere within the state between 1978-79 and 1982-83. Although the numbers are low, there are several additional factors which must be taken into account. First, it must be recognized that all three bachelor's degree programs are fairly new. Second, more people receive training than complete degrees. In fact it is quite possible that some people leave school before completing their degree precisely because of the fact that their training has made them employable. Third, and possibly most important, is the fact that these numbers do not show how many people include computer training as part of another degree program.

There is, and will continue to be, a demand for people trained at all levels—from certificate programs through graduate education. Until enrollments have increased significantly and programs have been added at the graduate level, Alaska will continue to depend on workers trained out of state.

Continuing Education

Anyone planning to enter the computer field should be aware that due to the extremely rapid rate of change in the industry, continuing education and training is a necessity. Employers may sponsor training for their employees, or individuals may need to pursue it on their own.

United States Supply Information

Nationally, the number of computer and information science programs offered at every degree level more than doubled over the period from 1966-67 to 1978-79. Associate degree programs grew 225%. Bachelor's degree programs grew 554%. Master's degree programs grew 162%, and Ph.D. progams grew 117%. Numerous vocational schools sprang up or added programs to handle the demand.

The number of persons receiving degrees in the computer sciences also increased sharply. From 1970-71 to 1977-78, the total number of bachelor's, master's, and doctoral degrees in these fields grew 194% (from 4,104 to 12,060). The number of associate degrees fluctuated considerably during the 70's, ranging from 6,821 in 1974-75 to 10,833 in 1978-79. The number trained by vocational schools is not available.

According to the U.S. Bureau of Labor Statistics, even with the increases which have occurred over the last 15 years, graduates of programs in computer science are only filling 1 out of 6 jobs at the bachelor's level, 1 out of 11 jobs at the master's level, and 1 out of 4 at the doctoral level. Obviously the remainder of these jobs are being filled by someone. The most likely explanation is that people in other fields, but with some background in computer science, are filling the gap.

United States Employment Forecast

Computer occupations are expected to be the most rapidly growing occupational group in the economy over the next decade. Overall

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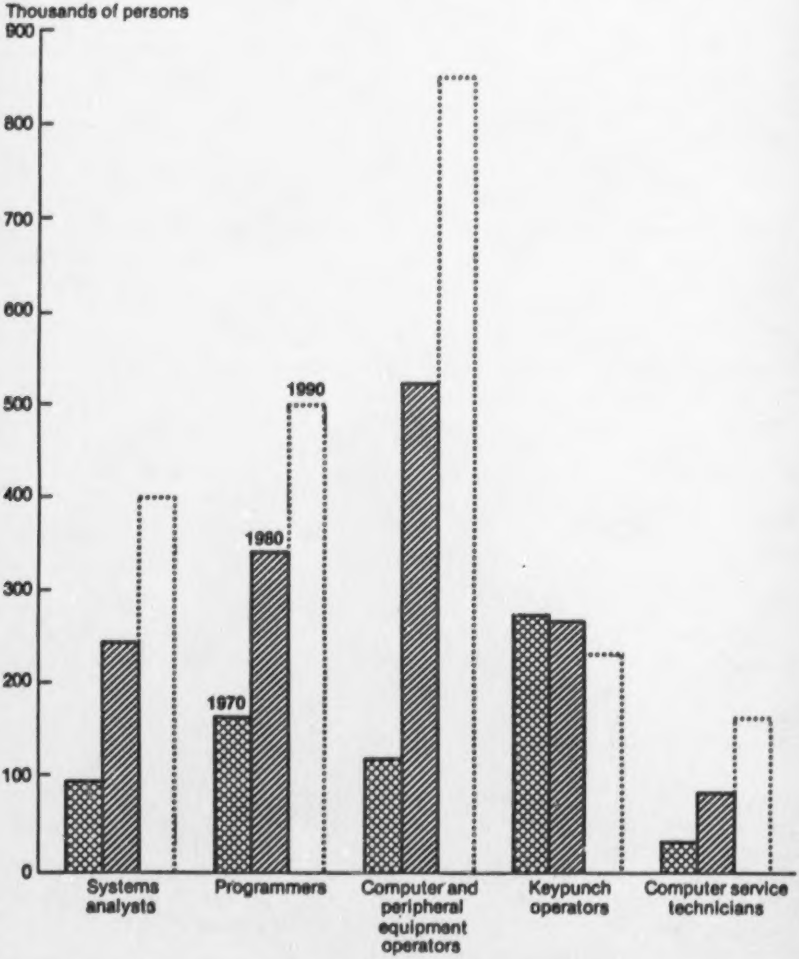
Figure 1
U.S. Employment in Computer Occupations
1970, 1980 and Projected 1990



Source: U.S. Department of Labor, Bureau of Labor Statistics.

employment in computer occupations is expected to rise from 1,455,000 in 1980 to 2,140,000 in 1990, a 47% increase. This is nearly three times as fast as the expected rate of growth for all occupations.

Among the five major computer occupations, computer service technicians will have the fastest rate of growth, and computer and peripheral equipment operators will have the greatest actual growth. Systems analysts are expected to increase 65%, programmers by 47%, computer and peripheral equipment operators by 63%, and computer service technicians by 93%. Only keypunch operators can expect a decline (14%). See figure below.

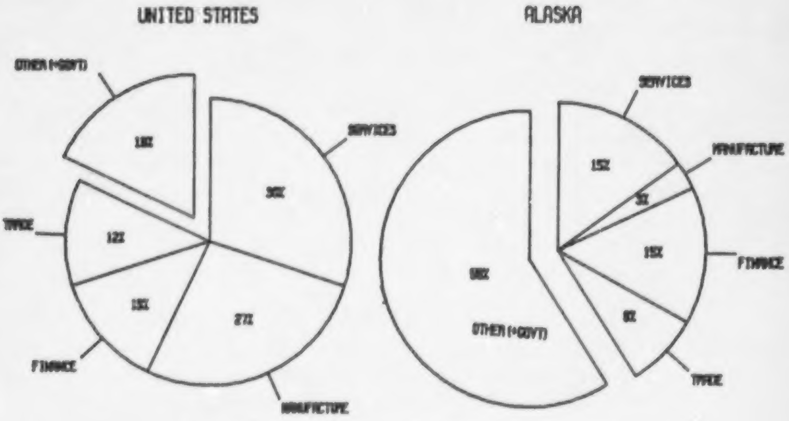
The industrial distribution of employment and the current geographic distribution of jobs in computer related fields provide additional insight. Although computer workers are found in every major industry, 80% work in four major industry divisions: services; manufacturing; wholesale and retail trade; and finance, insurance and real estate. This broad dispersion of computer occupations throughout the economy provides job stability.

Geographically, there is a high correlation between the distribution of computers and employment in computer occupations. Computer systems tend to be geographically concentrated. In fact, the 25 largest computer markets account for about 56% of the total value of computer systems, and the top 100 markets constitute 84% of the total. Consequently, persons planning a career working with computers should expect to work in or near a metropolitan area.

Alaska Employment Forecast

Computer occupations face a bright future in Alaska as well as in the rest of the nation. However, it is important to keep in mind the small number employed in these occupations. In 1980 there were only 250-350 people employed in each of the following occupations: systems analysts, computer programmers, computer operators, and data entry clerks. Together they represent only 0.6% (or 6 out of 1,000) of the total wage and salary employment in the state—only one-fifth the number of people employed as elementary and secondary school teachers in Alaska.*1/*

Important distinctions exist between the distribution of employment in Alaska compared to the rest of the nation. The four industries which provide 80% of the employment nationwide provide only 40% of the employment in Alaska. Also, whereas government employment is relatively insignificant nationwide, it provides 40% of the Alaska computer-related employment. Almost 60% of employment is located in Anchorage and another 20% is located in either Fairbanks or Juneau. Therefore, even in Alaska, most computer-related employment will be in one of the three major cities.



Emerging Occupations

There are a few occupations for which an extremely bright future has been predicted. These "emerging occupations," such as robotics technicians, have drawn public attention and created a level of interest which is out of proportion to their actual employment potential. It is important to understand that even nationally, the openings which these occupations are expected to provide are small in comparisons to the opportunities expected in any large, established occupation. In Alaska, they will have an even smaller impact.

Conclusion

Most computer-related occupations, despite the very rapid growth projected for them, have relatively few job openings because of their relatively small size and low separation rates.

On a nationwide basis, computer service technicians, the fastest growing computer occupation, is expected to have only 11% as many openings as carpenters and 13% as many as automobile mechanics. Programmers and systems analysts combined will have fewer openings than either accountants or kindergarten and elementary school teachers. Computer operators, because of their larger number and higher separation rate, will have many more openings.

In Alaska, computer-related employment represents a much smaller proportion of total employment than it does nationally. Therefore, the number of employment opportunities in computer occupations are expected to be proportionately smaller. Still, adequately trained individuals will encounter good employment prospects.

Computer-Related Certificates and Degrees Completed in Alaska

	78-79	79-80	80-81	81-82	82-83
Certificate Programs:					
University of Alaska Juneau			•	-	n/a
Associate Degree Programs:					
Anchorage Community College	1	11	5	14	19
University of Alaska Fairbanks••	3	3	1	13	14
Bachelor's Degree Programs:					
University of Alaska Anchorage					•
University of Alaska Fairbanks				•1	3
University of Alaska Juneau				•	-

• First year of program.
•• This program has been discontinued.

Source: Office of Institutional Planning, University of Alaska, Statewide System of Higher Education.

Further information about computer occupations and their national employment outlook can be found in the following Bureau of Labor Statistics publications:

Occupational Outlook Quarterly
U.S. Department of Labor, BLS
Summer 1981

Employment Trends in Computer Occupations
U.S. Department of Labor, BLS
Bulletin 2101, October 1981

Alaskan specific occupational information is available through the Alaska Career Information System (AKCIS). This is a computer-based interactive system which integrates localized occupational and educational information. The Occupational Data System (ODS) is being developed as a component of AKCIS, and is intended primarily for use by administrators and program planners. AKCIS gives programs of study and training available in all authorized post-secondary schools in Alaska and essentially all four-year colleges, universities, and graduate and professional schools in the nation.

AKCIS currently covers 245 occupations, and supplementary ODS information has been developed for approximately 70 occupations. The sort of information which is available includes a narrative description of job duties, working conditions, wages, employment outlook, methods of preparing for the occupation, tabular data on the major industries, required training levels, wages, employment trends, and employment forecast. Some localized information is available for wages, employment trends, and employment forecast. Additional features enable one to sort through the occupations on the basis of occupational characteristics and labor market data, to locate additional reference materials, and to obtain monthly economic data for Alaska.

For information about AKCIS and whether it is already available in your local area contact:

Dick Wilson, User Services Coordinator
Alaska Career Information System
Pouch F
Juneau, Alaska 99811
(907) 465-2980

1/ New occupational employment estimates will be available in September.

ALASKA

By Brit Harvey

Oil Price Impacts

A measure of stability has returned to the world oil market following a chaotic winter of OPEC negotiations and a $5/barrel price decline. Most analysts feel the $29/barrel OPEC benchmark price is still above the price that would prevail in an open market. This indicates that OPEC's cartel power, while clearly diminished, has not disappeared. The price gyrations of the last two years have rocked the oil industry worldwide. In Alaska, the impact has been mixed, with various segments of the industry displaying different responses.

Alaska Oil Industry Composition

The Alaska oil industry can be broken down into three major sectors; producers, drillers, and oil field service firms. Producers, such as Sohio and Arco, contract with other firms to provide drilling and oil field services, such as geophysical/seismic exploration, providing drilling mud, and well logging.

During the 1982 winter drilling season, producers accounted for about 30% of oil and gas industry employment, drilling firms about 20%, and service firms the remaining 50%. Some service firm employment is related to drilling, with the rest related to exploration and production.

Drilling-Related Impacts

Drilling has diminished markedly in Alaska during the past year due to lower oil prices and declining requirements for new North Slope production wells. Employment has been negatively affected by the introduction of newer, more efficient rigs. With fewer wells being drilled (156 North Slope development wells in 1983, versus 185 in 1982), and less time required to drill each well, drilling contractors and drilling-related oil field service firms have laid off employees. This trend is expected to continue through 1984. Contractors are counting on Beaufort Sea exploration and development to turn the trend around and put to work some of the 26 rigs currently stacked in Alaska.

Despite the decline in oil prices and drilling, Alaska oil and gas employment has remained relatively stable. The reason is that producers and exploration/production related services firms have increased employment, almost compensating for drilling-related layoffs.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

				CHANGES FROM:	
	P/	*R/*			
	5/83	4/83	5/82	4/83	5/82
Nonag. Wage & Salary	211200	204600	192100	6600	19100
Mining	10000	9900	8900	100	1100
Construction	17700	15900	13900	1800	3800
Manufacturing	11000	9300	10800	1700	200
Food & Kindred Prod.	5300	4000	4800	1300	500
Lumber & Paper Prod.	2700	2500	3300	200	-600
All Other Mfg.	3000	2800	2700	200	300
Trans. Comm. & Util.	20100	18900	18100	1200	2000
Tracking & Whseing.	2700	2700	2500	0	200
Water Transportation	2100	1600	1200	500	900
Air Transportation	6000	5600	5600	400	400
Other Trans. Comm. & Utilities	9300	9000	8800	300	500
Trade	40100	39100	34900	1000	5200
Wholesale Trade	8000	7800	7000	200	1000
Retail Trade	32100	31300	27900	800	4200
Gen. Merchandise & Apparel	4700	4600	4000	100	700
Food Stores	5500	5400	4600	100	900
Eating & Drinking Places	11200	10900	10100	300	1100
Other Retail Trade	10700	10400	9200	300	1500
Finance-Ins. & R. Estate	10200	9900	9500	300	700
Services & Misc.	37500	37000	34500	500	3000
Government	64600	64600	61500	0	3100
Federal	18500	18100	17700	400	800
State	18400	19100	17500	-700	900
Local	27700	27400	26300	300	1400

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

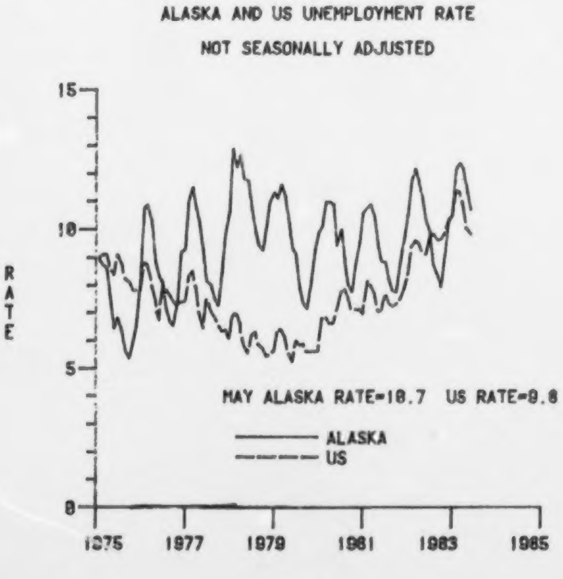
R/ Denotes revised estimates.

Producer Sector

While drilling-related employment is sensitive to short-term fluctuations in oil prices and industry earnings, employment by Alaska producer firms is influenced more by long-term considerations. Although the employment decisions of producer firms vary, a look at several producers shows why producer employment has generally increased despite the slump in oil prices and drilling.

Sohio is Alaska's largest producer, with about a 50% share of Prudhoe Bay production. With Alaska North Slope crude worth about $27/barrel delivered to refineries in the lower-48, and combined production and transportation costs of $11 to $13/barrel, Sohio realizes a huge profit on its majority share of Prudhoe Bay. Not surprisingly, Sohio is the most profitable major U.S. oil corporation, and is ideally positioned to remain profitable despite oil price declines or foreign crude cut-offs.

Like the State of Alaska, however, Sohio faces the coming decline in Prudhoe Bay production, where 96.7% of its reserves lie. Prudhoe Bay is expected to begin a rapid production decline in about four years, a short time by oil industry standards. If Sohio is to avoid a return to its humble origins as a local refiner and marketer, it must translate its immense



Prudhoe Bay cash flow into new reserves of at least somewhat comparable size. This means searching for giant fields in frontier areas such as the Beaufort Sea. In view of its overwhelming corporate need to search for new reserves, and its financial ability to do so, Sohio is unlikely to be deterred in its Alaska exploration and development by oil price changes.

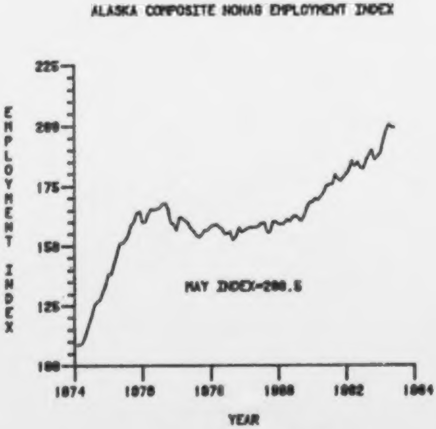
In addition to Sohio, other major oil corporations, including Shell and Texaco, bid heavily for Beaufort Sea leases. Their follow-up efforts are likely to create in-state employment.

Not all corporations taking the plunge in Beaufort Sea leases are major multi-nationals. Diamond Shamrock, a former chemical producer now metamorphosed into an energy company, bid with Texaco, Placid Oil and Amerada Hess on several prime tracts. While the $161 million bid by Diamond Shamrock was certainly not a "you bet the company" event, Diamond Shamrock clearly hopes that the Beaufort Sea will catapult the corporation into the big-time of vertically integrated energy corporations. Employment in Alaska is likely to mirror this corporate investment.

Nonagricultural Employment

Alaska nonagricultural wage and salary employment increased during May by 3.2%, or 0.6% when seasonally adjusted. The growth over the year was a feverish 9.9%.

Construction continued to pace employment growth. Although the seasonally adjusted May increase was not large, the year-to-year expansion was 27.3%. In the three years since May 1980, construction employment has increased by more than 65%, or 18.3% compound annual growth. Many



construction firms and workers have been drawn to Alaska by boom growth. Many will be leaving in 1984, but probably not enough to prevent rising unemployment in the construction trades next year.

The only sector showing an employment decrease during May was State government, due to seasonal layoffs by the University of Alaska.

Unemployment

Unemployment during May was 10.7%, down from 11.4% in April. Unemployment remains significantly above last year, when the May rate was 10.3%. The national May rate comparable to Alaska's was 9.8%. May data confirm the trends of the past year; rapid employment expansion, rapid in-migration of job seekers, and slightly higher unemployment rates.

ANCHORAGE-MATSU

By Greg Huff

Labor Force

In response to seasonal forces, the Anchorage-Matsu regional unemployment rate in May fell for the second consecutive month. May's rate was 6 tenths of a percentage point below April's. Unfortunately the rate remains above year-ago levels. Despite rapid economic expansion, the labor force is growing at a faster pace than employment, leaving a higher percentage of the labor force unemployed.

Although Alaska and Anchorage have experienced an expansionary economic period, Alaska's unemployment rate continues to rank 11th highest among states. Anchorage, Alaska's only Standard Metropolitan Statistical Area (SMSA), ranked 137 in April among some 240 other SMSAs nationwide. The highest unemployment rate for April was in Johnstown, Pennsylvania (24.4%) and the lowest was in Austin, Texas (3.8%).

Nonagricultural Employment

Anchorage's nonagricultural wage and salary employment was 101,800 in May. This figure was 2.3% above April, 7.8% higher than last year and represented 48% of employment statewide.

All industries and government experienced over-the-month increases in employment except oil. Oil employment historically remains flat during the month of May. Construction employment surged forward, making up 40% of the over-the-month increases.

Manufacturing Employment

Manufacturing in Anchorage represented 2.4% of total employment in 1982. This compares with 5.7% statewide and 20.7% nationally.

Manufacturing Employment
Percentage Share of Total Employment
Selected Years

	Anchorage	Alaska	U.S.
1970	2.4	8.4	27.3
1975	2.3	6.0	23.8
1980	2.2	7.9	22.4
1982	2.4	5.7	20.4

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 5/83	*R* 4/83	5/82	*P* 5/83	*R* 4/83	5/82	*P* 5/83	*R* 4/83	5/82	*P* 5/83	*R* 4/83	5/82
Alaska Statewide	221587	216476	206459	23684	24602	21357	10.7	11.4	10.3	197903	191874	185102
Anch.-Matsu Region	114469	112137	105102	9664	10073	8642	8.4	9.0	8.2	104805	102064	96460
Anchorage	103244	101020	94912	8152	8415	7391	7.9	8.3	7.8	95092	92605	87521
Matanuska-Susitna	11225	11117	10190	1512	1658	1251	13.5	14.9	12.3	9713	9459	8939
Gulf Coast Region	24357	22749	22775	3705	3665	3274	15.2	16.1	14.4	20652	19084	19501
Cordova	1266	1153	1159	160	131	115	12.6	11.4	9.9	1106	1022	1044
Kenai	12601	11840	11765	2078	2116	1829	16.5	17.9	15.5	10523	9724	9936
Kodiak	5398	5015	5147	682	657	694	12.6	13.1	13.5	4716	4358	4453
Seward	1830	1677	1619	357	316	228	19.5	18.8	14.1	1473	1361	1391
Valdez	3262	3064	3085	428	445	408	13.1	14.5	13.2	2834	2619	2677
Interior Region	29210	28603	27091	4559	4728	3935	15.6	16.5	14.5	24651	23875	23156
Fairbanks	23867	23310	22158	3774	3850	3284	15.8	16.5	14.8	20093	19460	18874
Southeast Fairbanks	2273	2260	2160	258	308	267	11.4	13.6	12.4	2015	1952	1893
Upper Yukon	729	706	658	128	124	93	17.6	17.6	14.1	601	582	565
Yukon Koyukuk	2341	2327	2115	399	446	291	17.0	19.2	13.8	1942	1881	1824
Northern Region	10878	10604	9765	995	981	851	9.1	9.3	8.7	9883	9623	8914
Barrow-North Slope	2847	2745	2581	181	149	177	6.4	5.4	6.9	2666	2596	2404
Kobuk	3453	3356	3077	386	370	311	11.2	11.0	10.1	3067	2986	2766
Nome	4578	4503	4107	428	462	363	9.3	10.3	8.8	4150	4041	3744
Southeast Region	31855	32100	30429	3676	3967	3136	11.5	12.4	10.3	28179	28133	27293
Angoon	431	437	411	58	65	50	13.5	14.9	12.2	373	372	361
Haines	1140	1130	1055	189	181	134	16.6	16.0	12.7	951	949	921
Juneau	11367	11317	10838	1138	1104	930	10.0	9.8	8.6	10229	10213	9908
Ketchikan	6684	6646	6428	756	728	687	11.3	11.0	10.7	5928	5918	5741
Outer Ketchikan	865	890	858	167	193	182	19.3	21.7	21.2	698	697	676
Prince of Wales	1556	1587	1403	252	285	140	16.2	18.0	10.0	1304	1302	1263
Sitka	4498	4675	4489	365	549	486	8.1	11.7	10.8	4133	4126	4003
Skagway	1566	1622	1487	188	246	152	12.0	15.2	10.2	1378	1376	1335
Wrangell-Petersburg	3748	3796	3460	563	616	375	15.0	16.2	10.8	3185	3180	3085
Southwest Region	10818	10283	11297	1085	1188	1519	10.0	11.6	13.4	9733	9095	9778
Aleutian Islands	2819	2662	2881	172	189	222	6.1	7.1	7.7	2647	2473	2659
Bethel	3522	3315	3672	426	422	561	12.1	12.7	15.3	3096	2893	3111
Bristol Bay Borough	388	371	408	39	45	57	10.1	12.1	14.0	349	326	351
Bristol Bay	1417	1345	1471	110	124	158	7.8	9.2	10.7	1307	1221	1313
Kuskokwim	964	938	1039	120	149	191	12.4	15.9	18.4	844	789	848
Wade Hampton	1708	1652	1826	218	259	330	12.8	15.7	18.1	1490	1393	1496

P/=Preliminary   1982 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

				CHANGES FROM:	
	P/	*R/*			
	5/83	4/83	5/82	4/83	5/82
Nonag. Wage & Salary	101800	99550	94450	2250	7350
Mining	4050	4050	3950	0	100
Construction	8150	7250	7900	900	250
Manufacturing	2500	2200	2300	300	200
Food & Kindred Prod.	450	300	450	150	0
Other Mfg.	2050	1900	1850	150	200
Trans. Comm. & Util.	9500	9150	9050	350	450
Trucking & Whseing.	1400	1400	1350	0	50
Water Transportation	450	300	400	150	50
Air Transportation	3600	3450	3600	150	0
Other Trans. Comm. & Utilities	4050	4000	3700	50	350
Trade	24350	24000	20950	350	3400
Wholesale Trade	5550	5450	5200	100	350
Retail Trade	18800	18550	15750	250	3050
Gen. Merchandise	1850	1850	1650	0	200
Food Stores	2600	2550	2100	50	500
Eating & Drinking Places	6850	6800	5850	50	1000
Other Retail Trade	7500	7350	6150	150	1350
Finance-Ins. & R. Estate	6450	6350	6000	100	450
Services & Misc.	21050	20850	19950	200	1100
Government	25750	25700	24350	50	1400
Federal	9700	9700	9750	0	-50
State	6600	6550	5900	50	700
Local	9450	9450	8700	0	750

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

Five major sectors constitute most of Anchorage's manufacturing industry. The largest is the printing and publishing industry, providing 930 jobs during the first half of 1982. Newspapers provide the majority (65%) of the jobs in the printing and publishing industry.

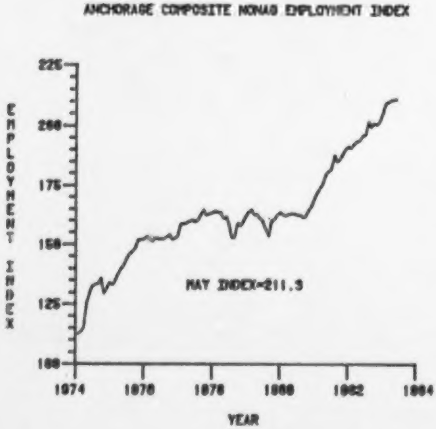
Major Manufacturing Sectors by Number of Firms and Employment

	1970		1975		1980		1982 1/	
	Firms	Emp.	Firms	Emp.	Firms	Emp.	Firms	Emp.
Food & Kindred Products	11	199	15	331	29	370	33	422
Lumber & Wood Products	7	45	13	148	10	142	10	172
Printing & Publishing	19	342	31	485	35	711	42	926
Stone, Clay & Glass Prod.	10	226	9	262	7	140	7	171
Metal Fabrication	1	*	7	113	8	117	11	167
Other Manufacturing	26	*	45	235	47	133	47	255
Total Manufacturing	74	1018	120	1574	136	1613	150	2113

- Non-disclosable

1/ 1982 first half year data only.

The next largest manufacturing sector in Anchorage is the food processing industry which is comprised of seafood processing and other food processing industries such as bakeries, dairy products and feeds. Fish processing is a very volatile industry with employment peaking over 800 in mid-summer and as low as 30 in the off-season.



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P/ 5/83	*R*/ 4/83	5/82	CHANGES FROM: 4/83	5/82
Nonag. Wage & Salary	106650	104400	98200	2250	8450
Mining	4250	4200	4050	50	200
Construction	8550	7600	8100	950	450
Manufacturing	2550	2250	2400	300	150
Trans. Comm. & Util.	10000	9700	9250	300	750
Trade	25150	24900	21700	250	3450
Finance-Ins. & R. Estate	6700	6600	6150	100	550
Services & Misc.	22400	22150	20650	250	1750
Government	27050	27000	25900	50	1150

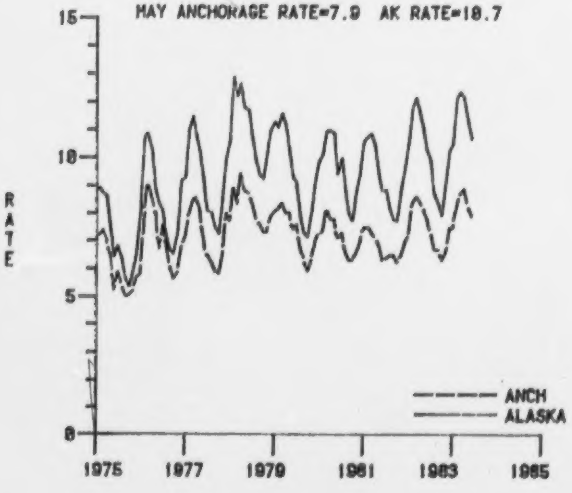
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

ANCHORAGE AND ALASKA UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED



FAIRBANKS/INTERIOR

By Neal Fried

Employment Continues to Grow

The Fairbanks economy continued to grow, with wage and salary employment up 5% over last year. Almost all industries contributed to employment growth, with trade, construction and services making the largest contributions.

Construction growth comes from activity in public capital projects, residential construction, and commercial construction, which appears to be experiencing a particularly strong year after many slow years. A variety of commercial construction projects are planned for this season; including two small retail business malls and a number of office buildings. This construction comes primarily as a result of expansion of the trade and services industries.

Trade has increased its share of total employment in Fairbanks over the decade, growing from 17% to 19%. The number of firms has grown from 300 to 410. This is the result of increasing population and personal income. Fairbanks' per capita income has increased by 13% in real terms over the past decade, providing more to spend in the trade industry. This spurred the growth of retail outlets. As the trade industry grows, fewer items will be purchased outside of Fairbanks, providing additional stimulus to the industry and the local economy.

The service industry's story is similar. Services is Fairbanks' largest private sector industry, employing 20% of Fairbanks' work force. It is the most broadly defined, including such diverse services as hotels, medical, legal, entertainment, non-profit organizations and business services.

Over the past year employment in the services industry has grown 5%. Over the decade it has the distinction of being the most rapidly growing industry. The number of service firms has grown from 284 a decade ago to 450 today. This rapid increase is a nationwide phenomenon.

Like trade, service growth has come as a result of rising incomes and a growing population. The service and trade industries also receive stimulus from growth outside Fairbanks. Communities throughout the rural Interior and northern part of the state (including Prudhoe Bay) have also grown, increasing their purchases of goods and services from Fairbanks, the center of commerce north of the Alaskan range.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/	R/		CHANGES FROM:	
	5/83	4/83	5/82	4/83	5/82
Nonag. Wage & Salary	24450	24100	23650	350	800
Mining	150	100	150	50	0
Construction	1850	1550	1750	300	100
Manufacturing	450	450	400	0	50
Trans. Comm. & Util.	2850	2800	2800	50	50
Trucking & Whseing.	550	550	500	0	50
Air Transportation	650	650	650	0	0
Other Trans. Comm. & Utilities	1650	1600	1650	50	0
Trade	4750	4700	4550	50	200
Wholesale Trade	850	850	850	0	0
Retail Trade	3900	3850	3700	50	200
Gen. Merchandise & Apparel	450	450	400	0	50
Food Stores	700	700	700	0	0
Other Retail Trade	2750	2700	2600	50	150
Finance-Ins. & R. Estate	900	900	850	0	50
Services & Misc.	4850	4750	4750	100	100
Government	8650	8850	8400	-200	250
Federal	2300	2250	2250	50	50
State	3650	3900	3500	-250	150
Local	2700	2700	2650	0	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

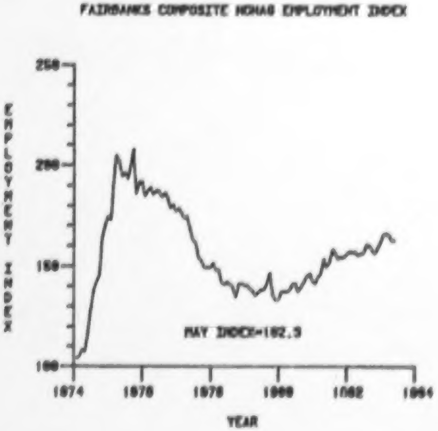
	P/ 5/83	*R/* 4/83	5/82	CHANGES FROM: 4/83	5/82
Nonag. Wage & Salary	28450	27650	26700	800	1750
Mining	350	300	350	50	0
Construction	2200	1800	1750	400	450
Manufacturing	500	500	400	0	100
Trans. Comm. & Util.	3700	3500	3600	200	100
Trade	5250	5050	4700	200	550
Finance-Ins. & R. Estate	950	950	900	0	50
Services & Misc.	5100	5050	5000	50	100
Government	10400	10500	10000	-100	400

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

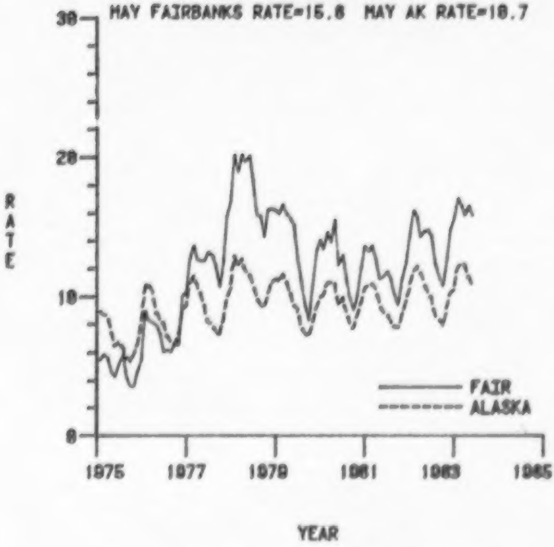
R/ Denotes revised estimates.



FAIRBANKS AND ALASKA UNEMPLOYMENT RATES

NOT SEASONALLY ADJUSTED

MAY FAIRBANKS RATE=15.8 MAY AK RATE=10.7



GULF COAST

By Neal Fried

Unemployment

Gulf Coast's unemployment rate continued to edge downwards in May, falling to 15.2%. The rate remains above a year-ago despite employment growth.

This persistent high rate of unemployment is a result of many factors. 1) A large percentage of the labor force only works part of the year, due to the seasonality of seafood processing and tourism which are major industries in the region. 2) Most of the communities' economies found within the region are small, lack much economic diversification, and therefore do not offer a wide variety of job opportunities. 3) Many of the communities such as Kenai, Soldotna, Seward, and Homer are accessible by roads and are considered very desirable places to live, causing continued pressure from migration from elsewhere in the state and country.

Employment Growth Continues

On the bright side, employment continues on the upswing and is registering major gains. The salmon season got underway in May and herring were still being harvested, helping to buoy fish processing employment. Fish processing grew by 900 over the month and for the second month this year made gains over 1982's level. All other major industry categories have posted over-the-year gains, with most industries contributing to May's growth. Employment growth continued at a healthy 5% rate. This trend is not expected to change during the remainder of this year.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	R/			
	5/83	4/83	5/82	4/83	5/82
Nonag. Wage & Salary	17800	16400	16800	1400	1000
Mining	900	850	850	50	50
Construction	1400	1200	1300	200	100
Manufacturing	3050	2150	2850	900	200
Food & Kindred Prod.	2300	1400	2050	900	250
All Other Mfg.	750	750	800	0	-50
Trans. Comm. & Util.	1950	1950	1750	0	200
Trade	2650	2500	2550	150	100
Wholesale Trade	450	400	450	50	0
Retail Trade	2200	2100	2100	100	100
Finance-Ins. & R. Estate	500	450	400	50	100
Services & Misc.	2600	2550	2500	50	100
Government	4750	4750	4600	0	150
Federal	500	500	500	0	0
State	1400	1400	1350	0	50
Local	2850	2850	2750	0	100

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

SOUTHEAST

By John Boucher

Southeast nonagricultural wage and salary employment contracted slightly during May. Although most industries posted gains, declines of 700 jobs in seafood processing and 250 jobs in state government resulted in the overall contraction.

The monthly decline in seafood processing was due to layoffs following April's strong herring season rather than any underlying changes in the industry. This volatility is normal. The outlook for seafood processing in Southeast is not good. Canneries in Wrangell and Juneau have announced they will not operate this summer due to a weak canned salmon market.

The state government employment decline was a normal seasonal result of layoffs by the University of Alaska.

Construction continued to expand, with work on a new boat harbor and sewer project in Sitka contributing. Juneau voters approved a sales tax increase to fund a water project and several other capital improvements. Work should commence later this summer on some projects with the bulk of the work occurring in 1984.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	5/83	4/83	5/82	4/83	5/82
Nonag. Wage & Salary	29100	29150	28300	-50	800
Construction	2200	2000	1550	200	650
Manufacturing	3300	3750	4050	-450	-750
Food & Kindred Prod.	1000	1700	1250	-700	-250
Lumber & Paper Prod.	2050	1800	2600	250	-550
All Other Mfg.	250	250	200	0	50
Trans. Comm. & Util.	2300	2200	2550	100	-250
Trade	4700	4550	4100	150	600
Wholesale Trade	200	200	300	0	-100
Retail Trade	4500	4350	3800	150	700
Finance-Ins. & R. Estate	1050	1000	1000	50	50
Mining, Svcs. & Misc.	3600	3550	3500	50	100
Government	11950	12100	11550	-150	400
Federal	2200	2200	2250	0	-50
State	5750	6000	5350	-250	400
Local	4000	3900	3950	100	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

HOURS AND EARNINGS

By John Boucher

The significant change in Alaska's hours and earnings data for April was a 19% over-the-year increase in average weekly earnings in the lumber and paper products sector, accompanied by an 8% increase in average weekly hours. Coupled with the report that housing starts in Japan were up 20.7% 1/ over the previous January, this gives hope that the sagging timber industry is beginning to recover. However, the closing of Wrangell's sawmill for most of June indicates that the increase may be due instead to the mild spring in Southeast Alaska.

Food and kindred products experienced a 10% decrease in weekly earnings and a 12% decrease in average weekly hours but this was largely due to a key employer not being included in the sample.

1/ Industrial Bank of Japan Monthly Report, April 1983, p.3.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 4/83	r/ 3/83	4/82	p/ 4/83	r/ 3/83	4/82	p/ 4/83	r/ 3/83	4/82
Mining	$22.97	$21.89	$21.09	48.0	51.5	52.4	$1102.56	$1127.34	$1105.12
Contract Const.3/	23.20	23.00	23.09	42.0	41.2	46.2	974.40	947.60	1066.76
Manufacturing	13.70	13.07	12.86	32.6	35.3	34.9	446.62	461.37	448.81
Food & Kindred Prod.	8.68	8.71	8.38	26.5	30.6	30.4	230.02	266.53	254.75
Lumber & Paper Prod.	17.01	16.37	15.45	39.4	41.4	36.5	670.19	677.72	563.93
Trans. Comm. & Util.	15.23	15.48	14.65	37.2	36.5	36.4	575.86	565.02	533.26
Trade	10.20	9.59	9.64	33.8	34.2	34.3	344.76	327.98	330.65
Wholesale Trade	12.09	11.25	11.35	37.2	37.1	37.8	449.75	417.38	429.03
Retail Trade	9.37	8.88	8.85	32.5	33.1	32.8	304.53	293.93	290.23
Finance, Ins. & R.E.	--	--	--	--	--	--	339.54	342.55	335.50

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

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AUGUST 1983

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska

JUNEAU·ALASK

1 Job Opportunities in the Alaska Transportation Industry

ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
Brit Harvey, *Editor*

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

August 1983
Volume 3
Issue 8

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to **ALASKA ECONOMIC TRENDS**, P.O. BOX 1149, Juneau, Alaska 99802.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P	*R*		*P*	*R*		*P*	*R*		*P*	*R*	
	6/83	5/83	6/82	6/83	5/83	6/82	6/83	5/83	6/82	6/83	5/83	6/82
Alaska Statewide	224551	220246	215028	22187	23684	21234	9.9	10.8	9.9	202364	196562	193794
Anch.-Matsu Region	116414	113603	109655	9252	9652	8709	7.9	8.5	7.9	107162	103951	100946
Anchorage	104997	102461	98893	7766	8143	7302	7.4	7.9	7.4	97231	94318	91591
Matanuska-Susitna	11417	11142	10762	1486	1509	1407	13.0	13.5	13.1	9931	9633	9355
Gulf Coast Region	24099	24239	23714	2900	3703	3110	12.0	15.3	13.1	21199	20536	20604
Cordova	1226	1259	1187	91	160	84	7.4	12.7	7.1	1135	1099	1103
Kenai	12561	12541	12374	1760	2077	1876	14.0	16.6	15.2	10801	10464	10498
Kodiak	5375	5370	5354	534	681	649	9.9	12.7	12.1	4841	4689	4705
Seward	1726	1821	1638	214	357	169	12.4	19.6	10.3	1512	1464	1469
Valdez	3211	3248	3161	301	428	332	9.4	13.2	10.5	2910	2820	2829
Interior Region	29198	29029	27680	4515	4549	3839	15.5	15.7	13.9	24683	24480	23841
Fairbanks	23864	23719	22672	3746	3766	3239	15.7	15.9	14.3	20118	19953	19433
Southeast Fairbanks	2305	2258	2197	287	257	248	12.5	11.4	11.3	2018	2001	1949
Upper Yukon	760	725	681	158	128	100	20.8	17.7	14.7	602	597	581
Yukon-Koyukuk	2269	2327	2130	324	398	252	14.3	17.1	11.8	1945	1929	1878
Northern Region	10892	10706	10274	1054	992	1007	9.7	9.3	9.8	9838	9714	9267
Barrow-North Slope	2865	2801	2735	211	181	235	7.4	6.5	8.6	2654	2620	2500
Kobuk	3451	3399	3235	398	384	359	11.5	11.3	11.1	3053	3015	2876
Nome	4576	4506	4304	445	427	413	9.7	9.5	9.6	4131	4079	3891
Southeast Region	32979	31841	31915	3367	3701	3074	10.2	11.6	9.6	29612	28140	28841
Angoon	462	430	458	70	58	76	15.2	13.5	16.6	392	372	382
Haines	1159	1140	1117	160	191	144	13.8	16.8	12.9	999	949	973
Juneau	11812	11363	11329	1062	1146	860	9.0	10.1	7.6	10750	10217	10469
Ketchikan	6943	6680	6719	714	761	652	10.3	11.4	9.7	6229	5919	6067
Outer Ketchikan	872	865	857	138	168	142	15.8	19.4	16.6	734	697	715
Prince of Wales	1613	1556	1480	243	254	146	15.1	16.3	9.9	1370	1302	1334
Sitka	4724	4494	4781	381	367	551	8.1	8.2	11.5	4343	4127	4230
Skagway	1588	1566	1546	140	190	135	8.8	12.1	8.7	1448	1376	1411
Wrangell-Petersburg	3806	3747	3628	459	566	368	12.1	15.1	10.1	3347	3181	3260
Southwest Region	10969	10828	11790	1099	1087	1495	10.0	10.0	12.7	9870	9741	10295
Aleutian Islands	2847	2821	3015	163	172	215	5.7	6.1	7.1	2684	2649	2800
Bethel	3596	3526	3851	456	427	576	12.7	12.1	15.0	3140	3099	3275
Bristol Bay Borough	372	390	416	18	40	47	4.8	10.3	11.3	354	350	369
Bristol Bay	1417	1418	1522	92	110	139	6.5	7.8	9.1	1325	1308	1383
Kuskokwim	985	966	1088	129	121	195	13.1	12.5	17.9	856	845	893
Wade Hampton	1752	1707	1898	241	217	323	13.8	12.7	17.0	1511	1490	1575

P/=Preliminary 1982 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

JOB OPPORTUNITIES IN THE ALASKA AIR TRANSPORTATION INDUSTRY

By Neal Fried and Greg Huff

When Roy Jones flew his Curtis MF Flying Boat into Ketchikan in 1922, the Alaska commercial airline industry was born. The aviation industry quickly found a niche in vast, remote Alaska. This article discusses the structure of the Alaska air transportation industry, related job opportunities, and education/training programs.

INDUSTRY STRUCTURE

Alaska is the "flyingest" state in the nation. There are 10,250 pilots, or one of every 45 Alaskans. This is approximately nine times higher than the national average. There are 3,769 commercial-rated pilots in the state, although not all fly as a profession.

Wage and salary employment in the air transportation industry is 5,650, representing 3% of Alaska employment as compared to 0.4% nationally.*1/* Over the past decade Alaska employment in this industry has grown by 88%, slightly more than overall employment.

Sixty percent of Alaska air transportation employment is in Anchorage. Though employment is concentrated in Anchorage, the remaining jobs are distributed throughout the state.

Industry firms can be classified as scheduled airlines, air taxi operators, or "fixed-base" operations, which are firms which provide aviation service, but do not actually operate planes. The scheduled airlines account for 72% of industry employment.

Air transportation occupations can initially be divided into airborne and ground categories. The airborne category consists of pilots, flight engineers and flight attendants. While flight crew member occupations have a glamorous, high-profile image, a 1979 Alaska Department of Labor Survey found that they constitute only 20% of Alaska air transportation employment.

The remaining 80% is comprised primarily of maintenance personnel, reservation and passenger service agents, air traffic controllers, dispatchers, and management personnel.

JOB OPPORTUNITIES

As in any field, job opportunities in the air transportation industry are determined by supply and demand for labor. Industry labor demand is influenced by Alaska and U.S. economic conditions, technological changes, and union agreements. Supply is influenced by pay levels, working conditions, and the number of trained and/or experienced people in the field. For a variety of reasons, there is keen competition for employment in the air transportation industry. This situation is unlikely to change through the 1980's.

Alaska air transportation employment is expected to increase moderately through the 1980's in response to growth in population, personal income and tourism. Nationally, 52,000 air transportation employees have been laid off during the past three years.*2/* While the current economic recovery is expected to result in increased air travel, it will take some time before a significant rebound in employment occurs. Most airlines are operating far below capacity, meaning that large increases in passenger-miles traveled can be accommodated with only small employment expansion. Additionally, several major airlines, including one operating in Alaska, are generally considered candidates to follow Braniff International into bankruptcy.

Though salaries are on par with the rest of the private sector, the industry offers desirable travel benefits, and includes several occupations frequently seen as glamorous or prestigious.

Air transportation demand is both highly seasonal and highly cyclical. This produces periodic fluctuations in employment, resulting in a large pool of experienced workers competing for openings.

Employment opportunities vary among the different types and sizes of the air transportation-related businesses. Large airlines have more specialized

Estimated Employment by Selected Occupations
and Growth and Replacement Needs*
Alaska

				Average Annual Job Openings	
	1981	1982	1986	Growth	Separations
Air traffic controller	552	555	565	3	9
Flight engineer	74	75	91	3	7
Airplane pilot	1056	1078	1297	48	9
Flight attendant	112	114	139	5	9
Aircraft mechanics	868	885	1052	37	17
Line service attendants	689	705	859	34	11
Reservation agents	193	197	239	9	6
Passenger service agents	1223	1247	1515	58	32

* Does not include turnover.

Source: Alaska Department of Labor, *Forecast for Selected Occupations, 1981* job classes, with more training and experience usually required. In smaller general aviation firms and fixed base operations a person may have many responsibilities. Training and experience requirements are often lower. The smaller firms frequently provide a training ground for employment with a large airline.

SPECIFIC OCCUPATIONS

Reservation and Passenger Service Agents

Employment opportunities for reservation and passenger service agents during the 1980's will be fairly good. However, applicants will find considerable competition for openings because of the large number of qualified persons attracted to airline jobs.

Proper training and education make it possible to become a reservation or passenger service agent. High school education is required and some college is preferred. Small commuter airlines and travel agencies are often a good way to gain experience. Reservation agents may be promoted to passenger service agents. Reservation agents work in a central office answering customer telephone inquiries and booking reservations. Like the reservation agent, the passenger service agent books reservations but works at airport terminals or ticket offices. Added duties include the preparation of tickets, helping passengers board and gathering tickets. For more detailed job descriptions see the *Occupational Outlook Handbook*, U.S. Department of Labor, Bureau of Labor Statistics, 1982-1983 edition. (The *Handbook* also contains detailed descriptions on the following occupations).

Mechanics

The employment outlook for A & P (airframe and power plant) mechanics and avionics (electronic equipment) mechanics is fair due to expected growth in the aviation industry. However, applicants will find keen competition for most openings. Mechanics employed by an airline may be more specialized and work on only a few types of aircraft; at a small, independent repair shop mechanics usually work on all kinds of aircraft.

Employment opportunities in Alaska are better with the relatively smaller general carrier and fixed-base operations than with large airlines, because most major airlines serving Alaska have mechanical work done outside. Opportunities are best in the bush areas of the state where the supply of qualified workers is very low.

Line Service Attendants

Competition for line service attendants (freight loaders, fuelers and "other" ramp personnel) jobs is particularly keen, primarily because entry level positions require no previous training or experience. More often than not the "seniority" positions are filled internally. Small airlines are a good way to gain experience for major airline positions.

Flight Attendants

Job applicants can expect heavy competition for the relatively small number of job openings. Most opportunities lie outside Alaska where most airlines that serve Alaska are based. Wien and Reeve-Aleutian Airlines are the only major Alaska carriers with most flight attendants stationed in the state. Airlines serving Alaska report hundreds of applicants annually. One airline has even started charging a $10 application processing fee because it was flooded with applicants.

Most airlines give newly hired flight attendants several weeks of training. New attendants are placed on reserve status and either fill in on extra flights or replace attendants who are sick or on vacation. It may take several years to become a full-status attendant. The cyclical and seasonal nature of the industry causes many flight attendants to be furloughed, in some cases for extended periods.

Pilots

More pilots will be needed during the 1980's, but competition for jobs will be intense, with the number of qualified pilots exceeding the number of openings. Pilots work at many different kinds of businesses and fly a variety of aircraft. To many pilots the ultimate flying job is with a major airline commanding a large jet aircraft. Very few Alaska pilots will reach this level. Most pilots flying for major airlines serving Alaska are stationed Outside. The majority of Alaska pilots fly charter or get jobs with small carriers such as air taxis, commuter airlines and air freight carriers.

There are several ways to become a professional pilot. Many obtain the training through the military, while others start as flight instructors, building up their flying hours to obtain a commercial pilot's license. As a pilot's flight hours increase and ratings advance, new opportunities open up.

Air Traffic Controllers

Job opportunities as air traffic controllers are fairly good with the proper training, education and passage of pre-entry exams. After the 1981 strike-related firing of air traffic controllers, many openings occurred instantly and the Federal Aviation Administration (FAA) could not fill the positions fast enough. Two years later the FAA has become saturated with air traffic controller trainees. Hiring has slowed, although there are still more openings than before the strike. The backlog of applications is so large that applicants may wait more than a year before knowing if they have been accepted into the training program at the FAA Academy. College graduates and individuals with civilian or military experience will have the best opportunities.

EDUCATION AND TRAINING PROGRAMS

The education and training necessary to open the door to employment varies from a high school diploma to a four-year college degree, and on-the-job training to 2,500 hours of flying time. In Alaska, there are a variety of educational programs that are tailor-made for this industry. With stiff competition for jobs, any education or training beyond the minimum requirements will help an applicant stand out from the crowd of competitors.

One of the major training grounds for the industry is the military. This is particularly true for pilots and mechanics. Because pilot training—particularly jet training—is prohibitively expensive, military training is almost the only route to acquire the skills and hours needed to qualify as a jet pilot.

There are 13 FAA approved flight training schools in Anchorage, Juneau, Sitka and Fairbanks. Countless other non-certified schools and teachers can provide pilot training, also. The Anchorage Community College (ACC) and the Tanana Valley Community College (TVCC) have two year professional piloting programs. Other community colleges throughout the state offer piloting programs. Civilian jet training would have to be acquired at schools outside Alaska. To become a commercial pilot, applicants must be 18 years old and have a minimum of 250 hours of flight experience. Further training and flying time with different aircraft are necessary before most persons will find employment as pilots. For example, an airline pilot has to be at least 23 years old and have a minimum of 1,500 hours of flying experience. Many airlines also require a four-year college degree, in addition to flight time.

The requirements needed to become a commercial helicopter pilot are slightly different. The best training available is through the military, as helicopter training is extremely expensive, costing approximately $150-$180 an hour. The cheapest civilian route is to first acquire an airplane license and then train for 50 hours on a helicopter.

Numerous educational institutions in Alaska provide programs and courses to meet the educational needs relevant to the aviation industry. The Anchorage Community College has the most extensive aviation program. ACC offers four areas of study—aviation administration, aviation maintenance technology, air traffic control and professional piloting. Aviation administration is a general, two year program for persons interested in working for the FAA or in administration of a private aviation firm. The air traffic control program, also two years, helps a person to fill the requirements and pass the entrance exam to become an air traffic controller. For this, the individual must have a high school degree, at least three years of responsible work experience (including some supervisory duties), or four years of college or a combination of both college and work experience. If a person is accepted as a candidate, they then receive 15-17 weeks of training at the FAA Academy in Oklahoma City. After successful completion of this training, on-the-job training continues at an FAA facility.

The third program, aviation maintenance technology, provides the necessary training to acquire an A & P certificate and an Associate of Applied Science degree. The Tanana Valley Community College in Fairbanks, through the Hutchison Career Center, also has an A & P program. TVCC's one year program prepares the individual to take the appropriate written, practical and oral examinations for certifications.

The Anchorage School District's Career Center and Alaska Pacific University provide classes that train students in travel agent ticketing and computer operation. This will help a person find employment as a passenger service agent, reservation agent or flight attendant. Most airlines provide additional in-house training.

Prior experience as a travel agent or work with the public makes the job search easier in these occupations.

Management staff often moves up the ranks internally or are recruited from other airlines and industries. The University of Alaska Fairbanks offers associate and bachelor degrees in travel industry management. Business and accounting training at any of Alaska's higher education schools will help the job seeker.

The skills needed to become an avionics technician for the repair of electronic equipment in the aviation industry can be acquired in a number of ways. Some of the A & P programs provide a good deal of avionics training. A person can also hire on as a helper in a repair shop and learn the trade through experience, generally over a two-year period. There are special avionics programs in the lower 48. The needed skills are in constant flux due to technological advances.

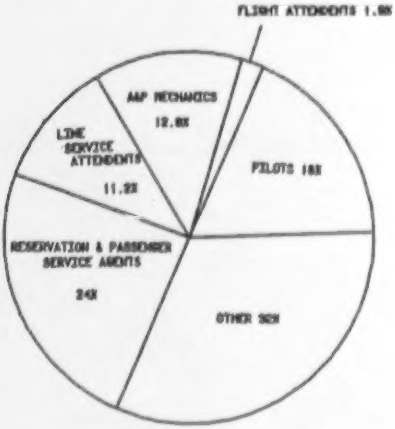
To become an airline dispatcher a person has to either choose from two schools in the lower 48 which provide the appropriate training or work as a dispatcher-clerk under the tutelage of a certified dispatcher for two years. Practical and written exams must be taken to be certified. The on-the-job training route is more popular in Alaska.

Load masters, cargo handlers, fuelers and fleet service personnel need only on-the-job training. Ability to drive a truck, operate a forklift, or closely related skills will help the job seeker.

One of the themes throughout this article has been the over-supply of job applicants in the aviation industry. One air taxi operator compared the pursuit of a commercial jet pilot position to the chances of becoming a Hollywood star. Though not all jobs in the aviation industry fall in this category, the right education, training and experience are necessary to stand out in this crowded job market.

1/ This does not include the 1300 FAA personnel in Alaska. If they are included, the employment share would rise to 3.6%.

2/ *U.S. News & World Report*, Dec. 20, 1982, p. 74.



ALASKA

By Brit Harvey

OUTLOOK FOR JAPANESE DEMAND

Japanese demand is a crucial factor influencing employment in Alaska's forest products and seafood processing industries. Japanese demand is affected by numerous factors, ranging from international macroeconomic policy to fish catch volumes. Discussed below is the overall outlook for the Japanese economy through March 1984, and specific factors influencing demand for Alaska products.

General Economic Outlook for Fiscal 1983

Japanese fiscal years run from April through March. FY83 ends in March 1984.

The apparently robust economic recovery now occurring in the U.S. would normally trigger strong growth in Japan's export-oriented economy. Such trade-based growth will be dampened by U.S. trade restrictions on autos, motorcycles and steel, which have accounted for 43% of Japan's exports to the U.S. Lingering recession in Europe, budget cut-backs in oil-exporting countries, and credit problems in other less developed nations will combine to severely limit growth in demand for Japan's exports.

The Japanese FY83 budget is the most austere one since 1955. Japanese federal spending, which is about the same proportion of GNP as in the U.S., will not drive economic growth.

Due to lack of foreign demand for Japanese goods and limited government spending, only slight GNP growth is expected during FY83.

Yen/Dollar Exchange Rate

Since January 1980, the trade-weighted value of the dollar has risen by 40% against its major trading partners. This has helped moderate U.S. inflation while hurting U.S. exports. The yen, currently at about 240Y/1$US, is generally considered the most dollar-undervalued of the major currencies. Excepting a weakening last fall, the yen has remained near its current value for a year, and appears unlikely to strengthen. The outlook is for continued high yen prices for Alaska exports.

Forest Products

Despite a recent rise in housing starts, overall Japanese investment in private housing is not expected to increase over the low FY82 level.

Government budget cuts are reducing public housing investment and FY 83 housing starts are expected to remain at about the same 1.15 million level as last year.

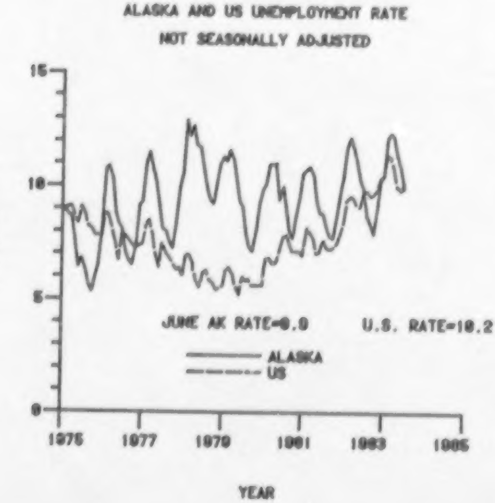
Japanese housing starts are the single most important influence on production levels of logs and cants in Alaska. It is therefore likely that the depressed conditions in Alaska's forest products industry will continue. Major firms such as Alaska Lumber and Pulp and Sealaska will continue to confront market conditions which resulted in losses on forest products operations last year. Employment is likely to remain depressed for a third straight year.

Seafood Processing

Japanese FY83 demand for Alaska's main seafood products, salmon and crab, is not likely to show much growth over 1982.

Demand for Alaska's primarily luxury seafood products is influenced by the general level of wealth in Japan. The development of the luxury seafood market in Japan in the 1970's coincided with rapidly increasing Japanese personal income. FY83 personal income is expected to show only very modest gains due to the generally stagnant economy. Increases in yen spent on Alaska seafood will therefore be small.

High prices last year, especially for crab, depressed demand. Large inventories of salmon and crab were carried into 1983. Record salmon



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

				CHANGES FROM:	
	P/	R/			
	6/83	5/83	6/82	5/83	6/82
Nonag. Wage & Salary	214800	209300	201300	5500	13500
Mining	9900	9900	9600	0	300
Construction	19600	17300	15900	2300	3700
Manufacturing	12000	11100	14100	900	-2100
Food & Kindred Prod.	6200	5300	7700	900	-1500
Lumber & Paper Prod.	2700	2800	3500	-100	-800
All Other Mfg.	3100	3000	2900	100	200
Trans. Comm & Util.	21200	19600	19500	1600	1700
Trucking & Whseing.	3000	2700	2700	300	300
Water Transportation	2000	1800	1400	200	600
Air Transportation	6100	5800	6000	300	100
Other Trans. Comm. & Utilities	10100	9300	9400	800	700
Trade	41100	40000	36300	1100	4800
Wholesale Trade	8300	8000	7300	300	1000
Retail Trade	32800	32000	29000	800	3800
Gen. Merchandise & Apparel	4800	4700	4300	100	500
Food Stores	5600	5500	4700	100	900
Eating & Drinking Places	11200	11000	10500	200	700
Other Retail Trade	11200	10800	9500	400	1700
Finance-Ins. & R. Estate	10500	10100	9800	400	700
Services & Misc.	39000	37400	36300	1600	2700
Government	61500	63900	59800	-2400	1700
Federal	18800	18400	18000	400	800
State	18900	18400	17400	500	1500
Local	23800	27100	24400	-3300	-600

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P Denotes preliminary estimates.

R Denotes revised estimates.

harvests in Bristol Bay this year will probably add to this inventory problem, allowing Japanese distributors to wait until the last moment before contracting for fish.

UNEMPLOYMENT STATISTICS

The unemployment statistics published in the center insert of *Alaska Economic Trends* are produced under a federal program named "Local Area Unemployment Statistics" (LAUS). While the data and their format appear straightforward, LAUS, as with many economic statistics, is easily misinterpreted.

Many Alaskans take issue with the federal definition of "unemployed" used by LAUS. Simply put, to be officially unemployed a person must not have worked at all, and must have actively looked for work. In the bush, many people who would like to work neither work nor look for work because job opportunities are nonexistent. If "unemployed" is defined as not working and claiming to want to work, unemployment rates might double in the bush during much of the year.*1/*

Federal regulations require the publishing of unrounded LAUS data. This implies that statisticians actually know the exact number of unemployed persons in each census division. In reality, the estimates carry a very large, though not statistically calculable, error range at the sub-state level. Both random error and systematic bias of several types exist. The federal justification for requiring the publishing of unrounded data is that in areas with a very small labor force, rounding even to the nearest 50 would result in drastic changes in unemployment rates. An additional justification is that allocation of federal funds is based on LAUS data, and that unrounded data is preferrable for this purpose. Users of LAUS data should recognize that it is the allocation function for which LAUS is designed. Economic analysis based on LAUS data should be carefully done.

In general, all LAUS data should be rounded by the user to the nearest 50 at the census division and regional level, and to the nearest 100 at the state level. The larger the size of the labor force, the more reliable the data. Annual averages are subject to less error than monthly estimates. Any user with questions about how to use LAUS data is encouraged to contact Research and Analysis.

One technical anomaly with interesting implications has recently arisen in LAUS data. LAUS involves input from both a survey and administrative unemployment insurance data. At the national level, these two sources tracked together fairly well until recently. There is now much greater unemployment as measured by the survey than as measured by unemployment insurance data.

While nobody really knows the cause of this divergence, it is apparent that a large number of people have "disappeared" from the unemployment insurance system. Possible causes are increased employment in the underground economy, increased work by undocumented immigrants (who may be inhibited in filing for unemployment), significant numbers of people laid off from work who exhausted their unemployment benefits and have been unable to earn enough money to requalify, and/or a widespread tightening of state requirements to draw unemployment insurance. Nationally, this may or may not be introducing systematic bias into a large portion of the LAUS data. Nobody knows at this time.

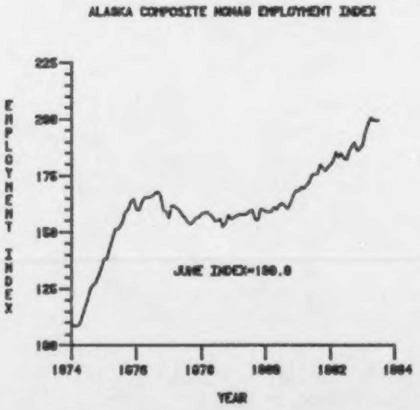
Nonagricultural Employment

June Alaska nonagricultural wage and salary employment was 214,800, or 2.6% above May, and 6.7% above last year.

Unemployment

June unemployment was 9.9%, exactly the same as last June. All indications are that the influx of job-seekers to Alaska is continuing, and that employment growth is keeping pace. The comparable national unemployment rate was 10.2% in June. Nationally unemployment is declining somewhat faster than was expected. Mid-June initial unemployment claims fell to the lowest point since the recession began. Should these trends continue, Alaska may see fewer in-migrant job seekers in coming months, and a resulting amelioration of the unemployment rate.

1/ "Lower Yukon-Kuskokwim Region Labor Market Analysis", Alaska Department of Labor, Research and Analysis; July, 1981.



ANCHORAGE-MATSU

By Greg Huff

Labor Force

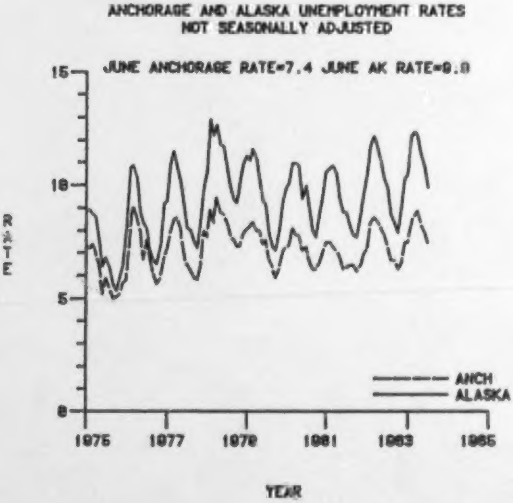
The Anchorage-MatSu labor force expanded briskly in June, due primarily to the entry of students and other "summer workers" into the job market. The unemployment rate declined to 7.9%, the same rate as last June. This indicates that the in-migration of job seekers is keeping pace with rapid employment expansion.

The developing national economic recovery may eventually lower unemployment enough to diminish migration to the Anchorage area. However, Anchorage employment expansion is also expected to moderate. The result may be a decline in the growth of Anchorage-MatSu population and labor force, with relatively little change in the unemployment rate.

Anchorage Employment

Anchorage nonagricultural wage and salary employment was 104,100 in June. After seasonal adjustment there was little change in employment in June. Compared to last year, there have been broad-based employment increases.

Construction employment during the first half of 1983 was about 8% above



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK ANCHORAGE

				CHANGES FROM:	
	P/	*R/*			
	6/83	5/83	6/82	5/83	6/82
Nonag. Wage & Salary	104100	101550	97050	2550	7050
Mining	4150	4050	4000	100	150
Construction	9050	8150	8800	900	250
Manufacturing	2650	2500	2600	150	50
Food & Kindred Prod.	500	450	550	50	-50
Other Mfg.	2150	2050	2050	100	100
Trans. Comm. & Util.	10000	9550	9250	450	750
Trucking & Whseing.	1500	1400	1350	100	150
Water Transportation	400	450	300	-50	100
Air Transportation	3750	3600	3700	150	50
Other Trans. Comm. & Utilities	4350	4100	3900	250	450
Trade	24750	24300	21600	450	3150
Wholesale Trade	5750	5600	5300	150	450
Retail Trade	19000	18700	16300	300	2700
Gen. Merchandise	1850	1850	1700	0	150
Food Stores	2600	2550	2150	50	450
Eating & Drinking Places	6850	6800	6100	50	750
Other Retail Trade	7700	7500	6350	200	1350
Finance Ins. & R. Estate	6700	6500	6200	200	500
Services & Misc.	21700	21200	20250	500	1450
Government	25100	25300	24350	-200	750
Federal	9850	9800	10000	50	-150
State	6250	6150	6000	100	250
Local	9000	9350	8350	-350	650

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

the corresponding period in 1982. While this is still a rapid rate of growth, it is slower than 1981-1982. A spring decrease in heavy construction contributed to this moderation in the growth rate of construction. Heavy construction is expected to pick up later in the year.

Trade employment continued its rapid growth. With 14% expansion, trade has accounted for almost 45% of all Anchorage employment growth during the past year.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK ANCHORAGE-MATSU

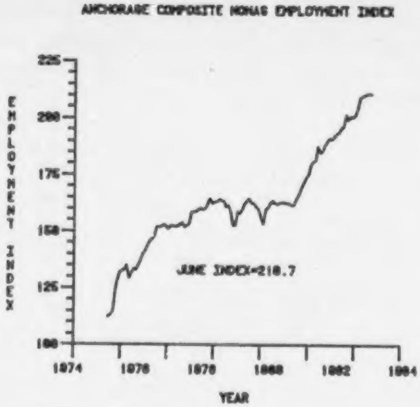
	P/	*R/*		CHANGES FROM:	
	6/83	**5/83**	**6/82**	**5/83**	**6/82**
Nonag. Wage & Salary	109850	106450	101550	3400	8300
Mining	4450	4250	4200	200	250
Construction	9500	8550	9100	950	400
Manufacturing	2750	2550	2650	200	100
Trans. Comm. & Util.	10600	10000	9600	600	1000
Trade	25700	25200	22450	500	3250
Finance-Ins. & R. Estate	6900	6700	6350	200	550
Services & Misc.	23500	22550	21250	950	2250
Government	26450	26650	25950	-200	500

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.


ANCHORAGE COMPOSITE NONAG EMPLOYMENT INDEX
EMPLOYMENT INDEX
225
200
175
150
125
100
JUNE INDEX=210.7
1974
1976
1978
1980
1982
1984
YEAR

FAIRBANKS/INTERIOR

By Neal Fried

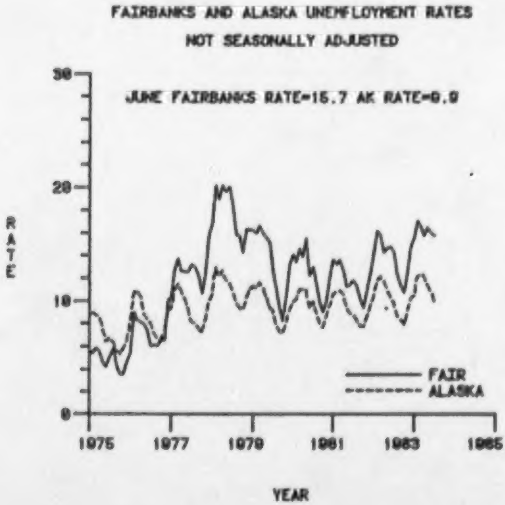
Forest Fires Boost Employment

Employment in Fairbanks and the Interior grew dramatically in June, with Fairbanks employment up by 1,050. Over-the-year growth was 6%. Though employment typically expands during June, this was the largest June increase in five years.

Much of the employment increase was the result of a busier than normal forest fire season. More than 400 emergency fire fighters were on the job at one time at each of two major fires near Minto and Rosie Creek. Fire fighting crews came from communities throughout the Interior. With a 16-person crew earning an average $2,400/day, fire fighting employment is a major source of income for many rural crew members.

Construction Employment

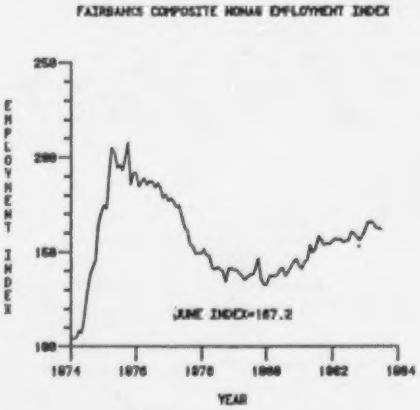
Though state revenues have declined, Fairbanks' and Interior's state capital budget appropriations reached record levels this year. More than 95% of the money is earmarked for construction. Even assuming some vetos by the Governor, 1983 state capital spending in Fairbanks and Interior will spur construction employment.



Fairbanks' capital budget totals approximately $120 million and Interior's is $98.5 million. This represents a doubling of last year's Fairbanks' appropriations ($56 million) and a tripling of Interior's ($27.9 million). The only year that came close to having budgets in these figures was 1981, with $93 million for Fairbanks and $40.2 million for the Interior.

The projects funded this year vary from $11 million for UAF dormitory construction to a $1.8 million Fort Greely gym and from a $5,000 Fort Yukon Radio Translator to $25,000 for a Goldstream Volunteer Fire Department building completion.

Obviously, the industry which will benefit most from this record budget will be construction. Some of these funds will quickly become brick and mortar, while the rest will take longer, influencing the industry for years. State-funded projects are likely to strengthen construction employment in Fairbanks and Interior for at least the next two years.



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/	*R*/		CHANGES FROM:	
	6/83	5/83	6/82	5/83	6/82
Nonag. Wage & Salary	25500	24450	23950	1050	1550
Mining	150	150	200	0	-50
Construction	2100	1800	2000	300	100
Manufacturing	450	450	400	0	50
Trans. Comm. & Util.	3100	2850	2950	250	150
Trucking & Whseing.	650	550	600	100	50
Air Transportation	700	650	650	50	50
Other Trans. Comm. & Utilities	1750	1650	1700	100	50
Trade	4950	4800	4700	150	250
Wholesale Trade	850	850	850	0	0
Retail Trade	4100	3950	3850	150	250
Gen. Merchandise & Apparel	450	450	450	0	0
Food Stores	750	700	700	50	50
Other Retail Trade	2900	2800	2700	100	200
Finance-Ins. & R. Estate	900	900	850	0	50
Services & Misc.	5050	4850	4850	200	200
Government	8800	8650	8000	150	800
Federal	2400	2250	2500	150	-100
State	4200	3700	3350	500	850
Local	2200	2700	2150	-500	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P/	*R*/		CHANGES FROM:	
	6/83	**5/83**	**6/82**	**5/83**	**6/82**
Nonag. Wage & Salary	28800	28450	27350	350	1450
Mining	400	350	400	50	0
Construction	2200	2200	2050	0	150
Manufacturing	550	500	450	50	100
Trans. Comm. & Util.	3900	3700	3800	200	100
Trade	5400	5250	4950	150	450
Finance-Ins. & R. Estate	1000	950	950	50	50
Services & Misc.	5350	5100	5200	250	150
Government	10000	10400	9550	-400	450

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

GULF COAST

By Neal Fried

Unemployment

The Gulf Coast region's unemployment rate in June dropped a full 3.3 percentage points. Much of the decline can be attributed to the beginning of the salmon season. Fishermen are returning to work and fish processors have geared up for the salmon frenzy. Much of Bristol Bay's record catch, though not geographically located in the region, has found its way to processors in Kenai, Kodiak, and Cordova, providing a further boost to employment in these areas.

Fishing was not the only industry responsible for these employment gains. Tourism, particularly on the Kenai Peninsula, is having a good year. Anchorage's growing population and exceptionally good weather have provided the right ingredients for a good tourism season.

Construction is also in high gear. Public funded construction dominates the industry but commercial and residential construction are also having a good year.

Construction Gets Its Annual Boost

The state capital budget appropriations insure that public construction activity will remain strong during the coming two years. Though a decline in revenues is reflected to an extent in the region's budget this year, allocations remain far above pre-1981 levels.

The region's capital budget totals approximately $100 million, which compares to $136 million in 1982 and $173 million in 1981. This year's capital budget may be pared somewhat by the Governor.

Since the first mammoth capital budget was passed in 1980, this annual legislative activity has had a growing influence on the regional and state economies. The construction industry is the major beneficiary of this activity as approximately 95% of appropriations are for construction related projects.

The appropriations this year fund a menagerie of projects, ranging from $10,000 for Tyonek's sawmill repairs to $6.0 million for Seward's Marine Industrial Park. In some cases these appropriations will boost construction activity immediately and in other cases they will be undertaken over a number of year's.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	R/			
	6/83	5/83	6/82	5/83	6/82
Nonag. Wage & Salary	18400	17800	17700	600	700
Mining	900	900	900	0	0
Construction	1650	1350	1550	300	100
Manufacturing	3350	3100	3400	250	-50
Food & Kindred Prod.	2550	2350	2550	200	0
All Other Mfg.	800	750	850	50	-50
Trans. & Comm. Util.	1950	1950	1850	0	100
Trade	2800	2650	2650	150	150
Wholesale Trade	450	450	450	0	0
Retail Trade	2350	2200	2200	150	150
Finance Ins. & R. Estate	500	500	450	0	50
Services & Misc.	2750	2600	2600	150	150
Government	4500	4750	4300	-250	200
Federal	500	500	500	0	0
State	1450	1400	1300	50	150
Local	2550	2850	2500	-300	50

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

SOUTHEAST

By John Boucher

Southeast Alaska nonagricultural wage and salary employment grew 5% during June. Every industry expanded except forest products and government.

Services employment increased by 12.5%. The contributing industry was hotels, motels, and lodging places which accounted for nearly all growth in this sector. Expansion in this sector resulted from the arrival of the tourist season. Tourism also contributed heavily to the growth in transportation, communiciation and public utilities. While most of the additional transportation jobs are seasonal in nature, some of the hotel and motel employment should remain permanently because of recent openings of hotels in Ketchikan and Juneau.

Other strong contributors to June growth were construction and manufacturing. Manufacturing rebounded largely because seafood processing plants geared up for the summer trolling season after experiencing a lull during May. Construction employment is still climbing steadily and will continue to do so if the State's intent to finance "bid-ready" construction projects this construction season is realized. The state is planning to spend at least $22.3 million on Southeast construction.

The exceptions to the upturn were forest products and local government. Forest products continued to suffer from poor market conditions. A strike at Louisiana-Pacific (L-P) does not bode well for July's outlook. L-P's entire west coast operation has been idled by the strike which has been attributed by union spokespersons to L-P's failing to join in an industry-wide bargaining agreement. Approximately 450 Ketchikan workers have been idled by the strike, the bulk of those from the pulp mill.

The contraction in government was due to the ending of the 1982-83 school year. Mt. Edgecumbe High School closed its doors for good this year, taking with it 120 jobs.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	6/83	5/83	6/82	5/83	6/82
Nonag. Wage & Salary	30750	29200	29600	1550	1150
Construction	2650	2350	1950	300	700
Manufacturing	3650	3400	4450	250	-800
Food & Kindred Prod.	1400	1050	1600	350	-200
Lumber & Paper Prod.	2000	2100	2650	-100	-650
All Other Mfg.	250	250	200	0	50
Trans. Comm. & Util.	2600	2300	2750	300	-150
Trade	4950	4700	4300	250	650
Wholesale Trade	300	250	300	50	0
Retail Trade	4650	4450	4000	200	650
Finance-Ins. & R. Estate	1050	1000	1050	50	0
Mining, Svcs. & Misc.	4050	3600	3850	450	200
Government	11800	11850	11250	-50	550
Federal	2250	2200	2250	50	0
State	5800	5750	5400	50	400
Local	3750	3900	3600	-150	150

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

HOURS AND EARNINGS

By John Boucher

Hours and earnings remained steady in May in the nonbasic industries: transportation, communication and public utilities; finance, insurance and real estate; and trade. Seasonality does not effect the nonbasic industries as dramatically as basic industries.

Contract construction continued its spring climb, although the pace of growth in both average weekly hours and earnings slowed to 5%. Lumber and paper products also registered strong growth in average weekly hours and earnings, but since hours and earnings data is lagged two months the effects of the shutdown of a Wrangell sawmill and a strike against Louisiana-Pacific are not reflected in the data.

Elsewhere, food and kindred products grew by 20% in average weekly hours and 11% in average weekly earnings. This is attributable to the opening of seafood processing plants to handle the May hand troll opening for salmon.

ALASKA HOURS AND EARNINGS FOR SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 5/83	r/ 4/83	5/82	p/ 5/83	r/ 4/83	5/82	p/ 5/83	r/ 4/83	5/82
Mining	$23.86	$22.97	$21.13	48.5	47.9	53.1	$1157.21	$1100.26	$1122.00
Contract Const. 3/	23.32	23.12	22.39	44.1	42.0	43.1	1028.41	971.04	965.00
Manufacturing	12.65	13.62	12.61	37.0	33.2	39.1	468.05	452.18	493.05
Food & Kindred Prod.	7.85	8.50	8.86	32.4	26.9	35.8	254.34	228.65	317.19
Lumber & Paper Prod.	16.07	16.62	14.96	43.8	40.0	42.1	703.87	664.80	629.82
Trans. Comm & Util.	15.79	15.26	15.00	37.2	37.2	36.2	587.39	567.67	543.00
Trade	9.86	9.70	9.64	34.8	34.9	34.8	343.13	338.53	335.47
Wholesale Trade	11.25	11.08	11.28	38.0	37.4	38.7	427.50	414.39	436.54
Retail Trade	9.26	9.11	8.89	33.5	33.9	33.3	310.21	308.83	296.04
Finance-Ins. & R. Estate	—	—	—	—	—	—	359.94	343.89	348.27

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

2/ Excludes eating and drinking establishments.

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

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SEPTEMBER 1983 10/7/83

ALASKA ECONOMIC TRENDS

Alaska Department of Labor   Bill Sheffield, Governor, State of Alaska

1 Alaska Fish Harvesting Employment

ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
Brit Harvey, *Editor*

In Cooperation With:
Employment Security Division
Alaska Department of Labor

Bureau of Labor Statistics
U.S. Department of Labor

Employment and Training Administration
U.S. Department of Labor

September 1983
Volume 3
Issue 9

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

Cover: Alaska Department of Fish and Game Photo.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

ALASKA FISH HARVESTING EMPLOYMENT

By Kathryn Lizik

Nonagricultural wage and salary employment statistics do not include self-employed persons. About 90% of Alaska fish harvesting employment is categorized as self-employment, and has not been included in nonagricultural employment statistics published in *Trends.* Fish harvesting employment for the period 1977 to 1981 has now been estimated by Research and Analysis staff. These data will be available in October in a publication titled *Alaska Fish Harvesting Employment 1977 -1981*. It is anticipated that fish harvesting employment estimates will be compiled on an ongoing basis. This article briefly discusses the method used to estimate fish harvesting employment, and summarizes the results.

Methodology

Estimates are compiled for each month from January 1977 through December 1981. The data are disaggregated by area (statewide and four regions) and specie/gear type.

Estimated employment is based on Alaska Department of Fish and Game fish tickets, and "crew factors" derived from a vessel survey. Fish tickets provide a count of vessel landings and catch value by area, specie and gear type. An estimate of the number of vessels fishing each month in each category is derived from fish ticket data. Crew factors are used to convert vessels fishing into employment. Due to the volitility of the fish harvesting industry and minor methodological differences, the estimates of fish harvesting employment are probably slightly high relative to the nonagricultural employment estimates normally published in *Trends.*

Summary of Results

Annual average fish harvesting employment grew from 6,000 in 1977 to 7,800 in 1981, a 30% increase. Of the 1981 total, 66% was attributable to salmon harvesting, 20% to shellfish, 7% to halibut, and the remaining 7% to bottomfish, herring and other.

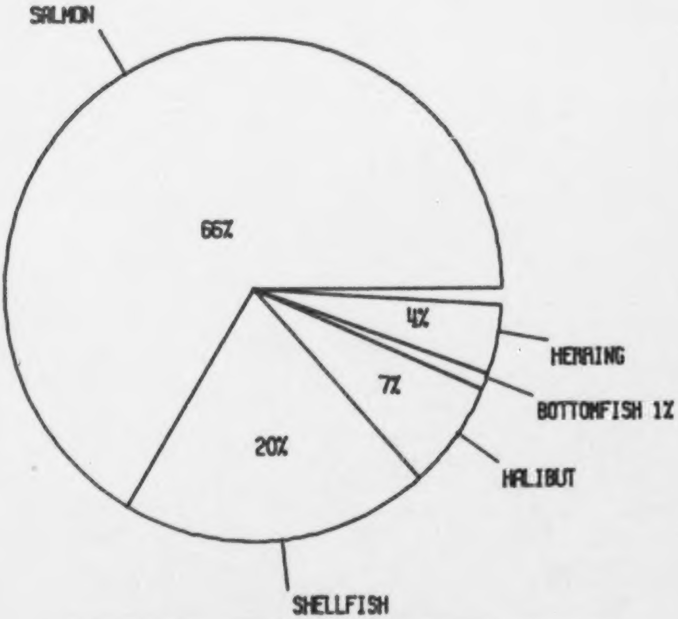
Employment was highest during the second and third quarters, peaking in July with the height of the salmon runs. July 1979 was the peak employment month during the 1977-81 period, with 25,950 jobs. The number of winter fishing jobs, while far below summer, increased during the period.

The specie/gear type with the highest employment was salmon drift gillnet, accounting for 32% of 1981 salmon harvesting employment. Set gillnet accounted for another 30%.

Total Monthly Statewide Employment
1977-1981

	1977	1978	1979	1980	1981
January	1242	1448	1177	1579	1480
February	1036	1362	1227	1888	1598
March	1033	1491	2123	2323	2802
April	1976	2505	2659	3291	3288
May	5127	5735	7604	10699	5629
June	14663	17188	21744	15003	20578
July	20102	23297	25945	23861	22401
August	15096	19036	17746	18042	20516
September	6785	8288	6695	8420	8114
October	1950	2234	3192	2983	3099
November	1447	1414	1591	2074	2156
December	1630	1329	1292	1273	1939
Total Annual Average	6007	7111	7750	7620	7800

1981 Average Employment by Specie



ECONOMIC IMPACTS OF STATE SPENDING—"Cash-on-the Street"

By Brit Harvey

It is generally agreed that Alaska's current economic expansion is primarily the result of State spending of oil revenue. Past attempts to quantify this relationship were stymied by the lack of a reliable measure of actual State spending. While data on State appropriations, federal grants to the State, and money raised through State bond sales have always been available, they have not been sufficient to measure the economic impacts of State spending. The primary cause of this insufficiency is long and varying lags between different categories of appropriations and actual expenditure, due to administrative delays.

In November 1982, consultants Gregg Erickson and Tom Singer, under contract to the State, produced a measure of actual State spending, which they referred to as "Cash-on-the-Street". This data series is presented in Table 1 in a version revised and updated by Research and Analysis. It is probably the most important information available for analyzing and forecasting Alaska employment.

Methodology

As the name implies, the Cash-on-the-Street series is an attempt to measure the number of State dollars which enter the economy each month. Briefly, State warrants (checks) redeemed are totaled by month. Warrants which do not enter the economy, such as Permanent Fund special deposits, are subtracted. Adjusted outlays by quasi-independent State agencies, such as Alaska Housing Finance Corporation, are added in. Finally, the series is adjusted for inflation using the Anchorage Consumer Price Index.*1* Readers interested in a more detailed description of this methodology may contact Research and Analysis.

Cash-on-Street Characteristics

Cash-on-the-Street (COS) has increased fairly consistently since 1978 in both nominal and real terms. Despite the recent decline in State revenues, COS (through April) has yet to be effected.

The third quarter of 1982 is extremely high in relation to other quarters. The cause of this outlying quarter is unclear. While Permanent Fund dividends and Department of Transportation and Public Facilities expenditures account for some of the discrepancy, they do not fully explain it. This very high COS quarter is unlikely to be equaled in the future, representing the peak of the current surge in State spending.

1/ CPI-U, all items less shelter, annual averages

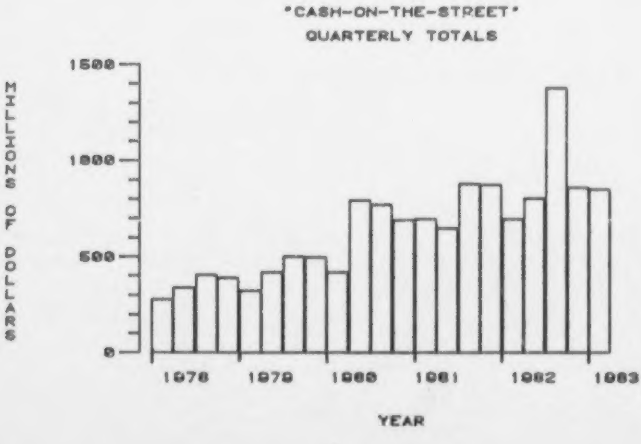
Employment/Cash-on-the-Street Relationship

Alaska nonagricultural wage and salary employment is closely correlated with Cash-on-the-Street (COS). In a statistical sense, 95% of the variation in employment from 1978 through the first half of 1983 is explained by variation in COS (see following notes for regression statistics). COS affects employment most strongly at two, three, and four quarter lags.

Qualitatively, it is clear that COS, in the form of Alaska Housing Finance Corporation and other susidized loans, Permanent Fund dividend payments, an increasing State payroll, and massive construction funding are driving Alaska's current employment boom. Neither other measures of State influence, such as revenues or appropriations, nor non-governmental influences, such as oil corporation investment, appear to correlate as closely with employment.

While COS is obviously a useful leading indicator (in a non-technical sense) of employment and overall economic activity, it has limitations. Employment may react differently to declining COS than to rising COS. The pipeline era showed that employment in Alaska does not necessarily decline sharply with the removal of a major economic stimulus. This "ratchet" effect observed following the pipeline may also occur when lower State revenues eventually result in diminishing COS.

COS is also limited in its aggregate nature. The spending of capital budget COS may effect the economy differently than operating budget money, and both may have different effects than Permanent Fund dividend expenditures. Due to the State's system of accounting, disaggregating COS is not cheaply or easily done.



"Cash-on-the-Street" (COS)
In Millions of Dollars

Year	Quarter	COS	Annual SFY Sum	COS (1978 $'s)[1]
1978	1	275.98		275.98
1978	2	339.58		339.68
1978	3	402.80		402.80
1978	4	387.93		387.93
1979	1	322.13		297.00
1979	2	416.19	1529.05	383.73
1979	3	498.17		459.31
1979	4	494.85		456.25
1980	1	418.32		350.13
1980	2	791.86	2203.20	662.48
1980	3	770.72		645.09
1980	4	687.16		575.15
1981	1	693.35		535.57
1981	2	646.90	3258.31	498.11
1981	3	877.21		675.45
1981	4	872.75		672.02
1982	1	692.94	3245.97	509.31
1982	2	803.07		590.26
1982	3	1376.41		1011.66
1982	4	858.41		630.93
1983	1	848.17		609.06
			4081.49 [2]	

1/ Adjusted by Anchorage CPI-U, all items less shelter.
2/ Extropolated from first 10 months of FY83.

Notes:

Correlation Between Nonagricultural Employment and Cash-on-the-Street.

NONAG = -11.030 + 52.6 COSADJLAG 2 + 66.1 COSADJLAG 3 + 53.2 COSADJLAG 4 + 23604 SD1 + 22773 SD2 + 742 SD3

All series are first differences of quarterly data.

NONAG = Alaska nonagricultural employment (1982 benchmark)

COSADJ = Cash-on-the-Street, adjusted for inflation, monthly average, in millions of dolars.

SD = Seasonal dummies

R2 = 96.9%

R2 adjusted for degrees of freedom = 95.0%

Durbin-Watson Statistic = 1.60

ALASKA

By John Boucher

Nonagricultural Employment

July nonagricultural wage and salary employment for Alaska was 227,100 or 4.6% above the June level and 9.6% above July 1982.

July employment in the food and kindred products sector, particularly seafood processing, soared to near record levels due to several outstanding salmon runs. The Bristol Bay record for sockeye salmon was exceeded. Preliminary counts from the Alaska Department of Fish and Game put the catch at 36.7 million fish, peaking during the first week in July at 3 million fish harvested per day. The 1983 catch was nearly 10 million more sockeye than the previous record year of 1981, and more than double the 15.1 million recorded in 1982. Upper and Lower Cook Inlet also had record sockeye catches which peaked about one week later than Bristol Bay, adding to employment in Southcentral Alaska. Later in July, a strong pink salmon run in Southeast added to seafood processing employment in that region. In all, it is estimated an additional 8,800 jobs were available in seafood processing during July, an increase of 67% over June.

Construction posted a 3% gain in employment during July, the smallest gain since February. This indicates that the record post-pipeline construction season of 1983 is beginning to peak. Government's contraction of 22% was due to the seasonal layoffs in educational employment.

Unemployment

July unemployment was 8.5%, two-tenths of a point lower than last July. This marks the first time since September 1982 that unemployment has improved when compared to the previous year's rate.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/ 7/83	*R/* 6/83	7/82	CHANGES FROM: 6/83	7/82
Nonag. Wage & Salary	227100	217000	207200	10100	19900
Mining	10500	10300	9900	200	600
Construction	20700	20100	17400	600	3300
Manufacturing	21900	13100	17900	8800	4000
Food & Kindred Prod.	16000	7200	12100	8800	3900
Lumber & Paper Prod.	2600	2800	2900	-200	-300
All Other Mfg.	3300	3100	2900	200	400
Trans. Comm. & Util.	21000	20200	19800	800	1200
Trucking & Whseing.	3200	3000	2700	200	500
Water Transportation	1800	1900	1500	-100	300
Air Transportation	6200	6200	6300	0	-100
Other Trans. Comm. & Utilities	9800	9100	9300	700	500
Trade	41400	41100	37000	300	4400
Wholesale Trade	8200	8200	7400	0	800
Retail Trade	33200	32900	29600	300	3600
Gen. Merchandise & Apparel	4900	4800	4500	100	400
Food Stores	5900	5900	4700	0	1200
Eating & Drinking Places	11200	11200	10700	0	500
Other Retail Trade	11200	11000	9700	200	1500
Finance-Ins. & R. Estate	10600	10400	9900	200	700
Services & Misc.	39500	38900	36500	600	3000
Government	61500	62900	58800	-1400	2700
Federal	19200	19100	18300	100	900
State	18500	19200	17200	-700	1300
Local	23800	24600	23300	-800	500

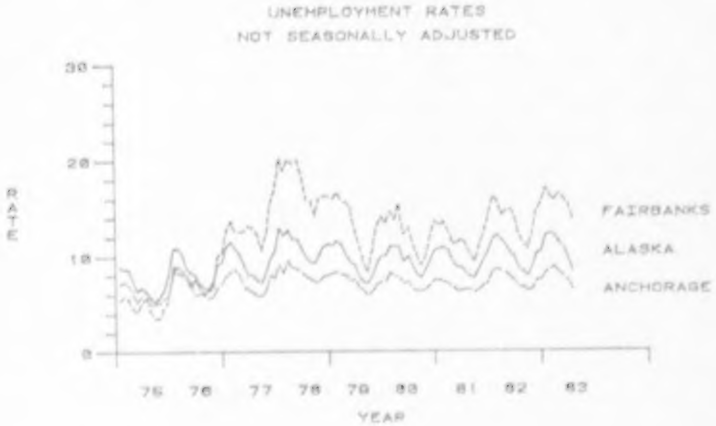
Prepared in cooperation with the U.S. Bureau of Labor Statistics.

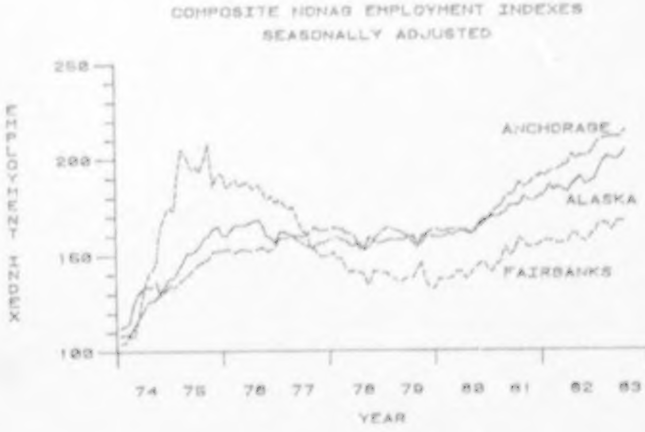
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.


UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED


COMPOSITE NONAG EMPLOYMENT INDEXES
SEASONALLY ADJUSTED

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 7/83	*R* 6/83	7/82	*P* 7/83	*R* 6/83	7/82	*P* 7/83	*R* 6/83	7/82	*P* 7/83	*R* 6/83	7/82
Alaska Statewide	233541	226312	219386	19892	22257	19047	8.5	9.8	8.7	213649	204055	200339
Anchorage-Matsu Region....	118449	117065	111906	8388	9257	8183	7.1	7.9	7.3	110061	107808	103723
Anchorage	106848	105587	100848	6987	7770	6737	6.5	7.4	6.7	99861	97817	94111
Matanuska-Susitna	11601	11478	11058	1401	1487	1446	12.1	13.0	13.1	10200	9991	9612
Gulf Coast Region..........	26619	24490	24812	2203	2916	2497	8.3	11.9	10.1	24416	21574	22315
Cordova	1373	1247	1276	66	92	81	4.8	7.4	6.3	1307	1155	1195
Kenai	13868	12761	13011	1427	1769	1641	10.3	13.9	12.6	12441	10992	11370
Kodiak	5794	5463	5450	219	537	355	3.8	9.8	6.5	5575	4926	5095
Seward	1928	1752	1746	187	214	155	9.7	12.2	8.9	1741	1538	1591
Valdez...................	3656	3267	3329	304	304	265	8.3	9.3	8.0	3352	2963	3064
Interior Region.............	29519	29917	27810	3955	4544	3316	13.4	15.2	11.9	25564	25373	24494
Fairbanks................	24193	24452	22751	3356	3771	2787	13.9	15.4	12.3	20837	20681	19964
Southeast Fairbanks	2339	2362	2224	249	288	221	10.6	12.2	9.9	2090	2074	2003
Upper Yukon	735	778	697	112	159	100	15.2	20.4	14.3	623	619	597
Yukon-Koyukuk..........	2252	2325	2138	238	326	208	10.6	14.0	9.7	2014	1999	1930
Northern Region	10738	10969	9534	991	1058	867	9.2	9.6	9.1	9747	9911	8667
Barrow-North Slope	2836	2885	2558	207	212	220	7.3	7.3	8.6	2629	2673	2338
Kobuk..................	3413	3475	2977	388	399	287	11.4	11.5	9.6	3025	3076	2690
Nome	4489	4609	3999	396	447	360	8.8	9.7	9.0	4093	4162	3639
Southeast Region...........	34339	32685	32545	3094	3375	3150	9.0	10.3	9.7	31245	29310	29395
Angoon	487	458	466	73	70	77	15.0	15.3	16.5	414	388	389
Haines	1186	1149	1104	132	160	112	11.1	13.9	10.1	1054	989	992
Juneau	12390	11707	11500	1048	1067	829	8.5	9.1	7.2	11342	10640	10671
Ketchikan	7279	6881	7184	706	715	1001	9.7	10.4	13.9	6573	6166	6183
Outer Ketchikan..........	871	864	826	97	138	98	11.1	16.0	11.9	774	726	728
Prince of Wales...........	1683	1600	1518	237	244	158	14.1	15.3	10.4	1446	1356	1360
Sitka	4971	4679	4804	389	381	493	7.8	8.1	10.3	4582	4298	4311
Skagway.................	1668	1574	1547	149	140	109	8.4	8.9	7.0	1528	1434	1438
Wrangell-Petersburg	3804	3773	3596	272	460	273	7.2	12.2	7.6	3532	3313	3323
Southwest Region	13877	11186	12779	1261	1107	1034	9.1	9.9	8.1	12616	10079	11745
Aleutian Islands	3603	2905	3322	172	164	128	4.8	5.6	3.9	3431	2741	3194
Bethel	4559	3665	4192	546	459	456	12.0	12.5	10.9	4013	3206	3736
Bristol Bay Borough	482	380	441	29	18	20	6.0	4.7	4.5	453	362	421
Bristol Bay...............	1782	1448	1672	88	94	95	4.9	6.5	5.7	1694	1354	1577
Kuskowkim..............	1249	1004	1151	155	130	132	12.4	12.9	11.5	1094	874	1019
Wade Hampton	2202	1784	2001	271	242	203	12.3	13.6	10.1	1931	1542	1798

P/=Preliminary   1982 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

ANCHORAGE-MATSU

By Greg Huff

Changes in Anchorage Employment Composition 1970-1982

The Anchorage economy has grown rapidly during the past dozen years. The relative industry contributions to employment have changed during this growth period. A brief discussion of this compositional change in Anchorage employment follows.

The table below lists Anchorage employment and percentage share for 1970 and 1982. The most dramatic change during the period was the relative decline in government employment, particularly federal government employment.

The industries showing the largest relative increases were services and mining. Services employment share increased nationally as well as in Anchorage during the 1970's. The increase in mining employment share is the result of oil corporation expansion in Anchorage. In general, the secondary industries (services, trade, finance and transportation) expanded their share of employment as government declined. With the exception of mining, the other basic industries (construction and manufacturing) remained stable.

Anchorage Employment and Industry Share

	Employment	Percentage	Employment	Percentage
Total	41,950	100.0%	95,350	100.0%
Mining	950	2.3	3,900	4.1
Construction	3,500	8.3	7,900	8.3
Manufacturing	1,000	2.4	2,300	2.4
Trans., Comm. & Util.	3,900	9.3	9,000	9.4
Trade	8,600	20.5	21,600	22.7
Finance, Ins. & R. Estate	2,000	4.8	6,000	6.3
Services	6,450	15.4	19,900	20.9
Government	15,550	37.1	24,800	26.0
Federal	9,500	22.7	9.850	10.3
State & Local	6,050	14.3	15,000	15.7

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

				CHANGES FROM:	
	P/	R/			
	7/83	6/83	7/82	6/83	7/82
Nonag. Wage & Salary	106250	104350	100200	1900	6050
Mining	4200	4100	4050	100	150
Construction	10000	9250	9650	750	350
Manufacturing	3150	2650	3000	500	150
Food & Kindred Prod.	950	500	850	450	100
Other Mfg.	2200	2150	2150	50	50
Trans. Comm. & Util.	10150	10000	9600	150	550
Trucking & Whseing.	1600	1500	1450	100	150
Water Transportation	400	400	350	0	50
Air Transportation	3850	3750	3800	100	50
Other Trans. Comm. Utilities	4300	4350	4000	-50	300
Trade	24550	24750	22250	-200	2300
Wholesale Trade	5800	5750	5400	50	400
Retail Trade	18750	19000	16850	-250	1900
Gen. Merchandise	1850	1850	1700	0	150
Food Stores	2500	2600	2200	-100	300
Eating & Drinking Places	6800	6850	6300	-50	500
Other Retail Trade	7600	7700	6650	-100	950
Finance-Ins. & R. Estate	6700	6650	6300	50	400
Services & Misc.	22000	21550	20700	450	1300
Government	25500	25400	24650	100	850
Federal	9950	9850	10150	100	-200
State	6000	6250	5850	-250	150
Local	9550	9300	8650	250	900

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

				CHANGES FROM:	
	P/	R/			
	7/83	6/83	7/82	6/83	7/82
Nonag. Wage & Salary	112100	109950	104450	2150	7650
Mining	4500	4400	4250	100	250
Construction	10450	9650	9900	800	550
Manufacturing	3300	2750	3050	550	250
Trans. Comm. & Util.	10700	10550	9950	150	750
Trade	25650	25750	23100	-100	2550
Finance-Ins. & R. Estate	6950	6900	6500	50	450
Services & Misc.	23700	23200	21700	500	2000
Government	26850	26750	26000	100	850

FAIRBANKS/INTERIOR

By Neal Fried

Nonagricultural Employment

This year's Fairbanks nonagricultural wage and salary employment is the highest since the 1975-1976 pipeline years. While the pipeline era resulted in more jobs, the current surge in employment is much broader-based.

Growth has occurred in almost all industries, rather than only one or two. Employment expanded extremely rapidly during the pipeline years, but most workers were transient residents, and disappeared with the completion of the pipeline. While the 7% employment growth over the past three years has not been as rapid as the pipeline surge, the current labor force is more permanent. This results in community investment, which spurs additional employment growth.

Recent economic growth, although broadly distributed through the economy, is still based primarily on State oil revenue and resulting expenditures. This renders continued growth vulnerable to oil price changes. Later in the decade, when oil production on State land begins to decline, an employment contraction similar to the one following the pipeline's completion may not be out of the question.

Capital Budget Update

Last month's article discussed the proposed capital budget. With the capital budget now signed by the Governor, Fairbanks' budget remains a record of $106 million (approximately $14 million worth of projects were vetoed). Interior's (excluding Fairbanks) budget also remains a record at $90 million (approximately $8.5 million worth of projects were vetoed).

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/	R/		CHANGES FROM:	
	7/83	6/83	7/82	6/83	7/82
Nonag. Wage & Salary	26000	25450	24950	550	1050
Mining	200	150	250	50	-50
Construction	2750	2150	2650	600	100
Manufacturing	500	450	400	50	100
Trans. Comm. & Util.	3100	3100	3000	0	100
Trucking & Whseing.	650	650	600	0	50
Air Transportation	700	700	650	0	50
Other Trans. Comm. & Utilities	1750	1750	1750	0	0
Trade	5150	4950	4750	200	400
Wholesale Trade	850	850	850	0	0
Retail Trade	4300	4100	3900	200	400
Gen. Merchandise & Appaprel	450	450	450	0	0
Food Stores	850	750	650	100	200
Other Retail Trade	3000	2900	2800	100	200
Finance-Ins. & R. Estate	1000	900	950	100	50
Services & Misc.	5200	5000	5000	200	200
Government	8100	8750	7950	-650	150
Federal	2300	2300	2500	0	-200
State	3650	4200	3350	-550	300
Local	2150	2250	2100	-100	50

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P/	R/		CHANGES FROM:	
	7/83	6/83	7/82	6/83	7/82
Nonag. Wage & Salary	29550	29400	28200	150	1350
Mining	400	400	450	0	-50
Construction	2900	2300	2800	600	100
Manufacturing	550	550	450	0	100
Trans. Comm. & Util.	3850	3850	3800	0	50
Trade	5550	5400	5000	150	550
Finance-Ins. & R. Estate	1050	1000	1000	50	50
Services & Misc.	5500	5350	5350	150	150
Government	9750	10550	9350	-800	400

GULF COAST

By Neal Fried

The Falling Unemployment Rate

Gulf Coast's unemployment rate finally fell below the double digit level in July, dropping to 8.3 percent. The biggest drop in the region occurred in Kodiak, where the unemployment rate fell 6 full percentage points (from 9.8% in June to 3.8% in July). Though this may appear to be a dramatic event, it is typical of summer in fisheries-dominated economies such as Kodiak and Cordova.

Most of this rapid decline can be attributed to the salmon fishery. Though the region as a whole did not have a particularly large harvest in July, fish caught more than 500 miles away kept the fish processors busy. The record catch of 38 million fish in Bristol Bay kept Gulf Coast processors booming this July. The exceptional Bristol Bay harvest boosted fish processing employment by 1,000 over year-ago levels and 2,500 over last month. Cook Inlet was the only region in the area that had a very good year. Cordova's harvest has been steady and Kodiak's has been below average.

One more month of salmon fishing will help to keep the rates down, but in September, when the season slacks off, the rates will rise as quickly as they fell.

Fishing related employment was only one of many industries that contributed to the region's improved employment picture. Wage and salary employment hit a high of 21,150 only once before surpassed in 1976 during the height of the pipeline construction. Oil revenues, a good salmon season and an exceptionally good tourism season thus far have pushed employment to new heights.

Capital Budget Update

The legislature's capital budget of $100 million for the region was pared by the Governor to $91 million with line item vetoes resulting in the lowest capital budget in 3 years.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	*R*/			
	7/83	6/83	7/82	6/83	7/82
Nonag. Wage & Salary	21150	18650	19200	2500	1950
Mining	950	900	950	50	0
Construction	1950	1750	1600	200	350
Manufacturing	6050	3500	5050	2550	1000
Food & Kindred Prod.	5200	2700	4200	2500	1000
All Other Mfg.	850	800	850	50	0
Trans. & Comm. Util.	2000	1950	1900	50	100
Trade	2900	2800	2800	100	100
Wholesale Trade	450	450	450	0	0
Retail Trade	2450	2350	2350	100	100
Finance-Ins. & R. Estate	500	500	450	0	50
Services & Misc.	2800	2750	2600	50	200
Government	4000	4500	3850	-500	150
Federal	550	500	500	50	50
State	1400	1450	1300	-50	100
Local	2050	2550	2050	-500	0

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment grew 5.4% during June, led by a surge in seafood processing employment. Other industries showed mixed results, none of which were spectacular. Construction and retail trade posted gains over the month while lumber and paper, transportation, and government all contracted from their June levels.

Seafood processing employment more than doubled over the month, largely due to a strong pink salmon run. After starting very slowly, the Southeast fishery rolled into high gear late in the month. Two canneries operating in Ketchikan reported they were filled to capacity and turned away some seiners. The excellent run even generated employment outside of Southeast, as some of the pinks were shipped to Kodiak for processing.

Construction employment continued to climb in July, but by the smallest number of jobs since January. This indicates that construction is nearing its traditional late summer peak. Retail trade also posted a gain of 100 jobs over last month due to employment growth in eating and drinking establishments.

Government employment contracted by 500 jobs or 11% during July. Although some of the contraction was due to a decrease in state noneducational employment, most of the decrease was accounted for by large drops in education employment at the state and local level. In August's *Trends* it was reported that Mt. Edgecumbe High School had closed its doors for good in June. As of press time, negotiations are proceeding to reopen the school in September 1984 under state control.

Aside from government, the lumber and paper products sector experienced the largest decline over the month. A work stoppage against Louisiana-Pacific's Ketchikan operations is responsible for the drop. The spruce mill has been idled, but the pulp mill and logging operations have continued despite the labor dispute.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

				CHANGES FROM:	
	P/	*R*/			
	7/83	**6/83**	**7/82**	**6/83**	**7/82**
Nonag. Wage & Salary	32050	30400	30100	1650	1950
Construction	2700	2600	2000	100	700
Manufacturing	5750	3700	5000	2050	750
Food & Kindred Prod.	3600	1400	2400	2200	1200
Lumber & Paper Prod.	1900	2050	2350	-150	-450
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Util.	2450	2500	2700	-50	-250
Trade	4900	4800	4450	100	450
Wholesale Trade	250	250	350	0	-100
Retail Trade	4650	4550	4100	100	550
Finance-Ins. & R. Estate	1050	1050	1050	0	0
Mining, Svcs. & Misc.	3750	3800	3950	-50	-200
Government	11450	11950	10950	-500	500
Federal	2300	2350	2250	-50	50
State	5700	5900	5250	-200	450
Local	3450	3700	3450	-250	0

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

HOURS AND EARNINGS

By Kathryn Lizik

Average hours and earnings in June remained relatively steady for all industries but manufacturing. A sharp employment rise in the food and kindred products sector, which carries a lower hourly wage than lumber and paper products precipitated an overall decline in the industry's average hourly earnings. Shortened average weekly hours in lumber and paper products, due to a June closure of the ALP sawmill in Wrangell also contributed to a 3% fall in manufacturing average weekly earnings.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/	r/		p/	r/		p/	r/	
	6/83	5/83	6/82	6/83	5/83	6/82	6/83	5/83	6/82
Mining	$23.72	$23.86	$20.74	50.2	48.3	54.6	$1190.74	$1152.44	$1132.40
Contract Construction 3/	22.88	23.11	22.69	43.6	43.6	44.6	997.57	1007.60	1011.97
Manufacturing	12.70	12.82	11.55	36.2	37.0	39.0	459.74	474.34	450.45
Food & Kindred Products	8.75	7.90	8.52	32.7	32.3	38.1	286.13	255.17	324.61
Lumber & Paper Products	16.46	16.21	14.95	39.8	43.6	41.5	655.11	706.76	620.43
Trans. Comm. & Util.	16.44	15.90	14.66	38.7	37.9	38.6	636.23	602.61	565.88
Trade	10.29	10.04	9.70	35.7	34.9	35.0	367.35	350.40	339.50
Wholesale Trade	11.75	11.66	11.89	38.4	38.1	38.1	451.20	444.25	453.01
Retail Trade	9.67	9.35	8.75	34.6	33.7	33.9	334.58	315.09	296.63
Finance-Ins. & R. Estate	—	—	—	—	—	—	348.08	369.81	336.09

1 Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2 Excludes eating and drinking establishments

3 Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

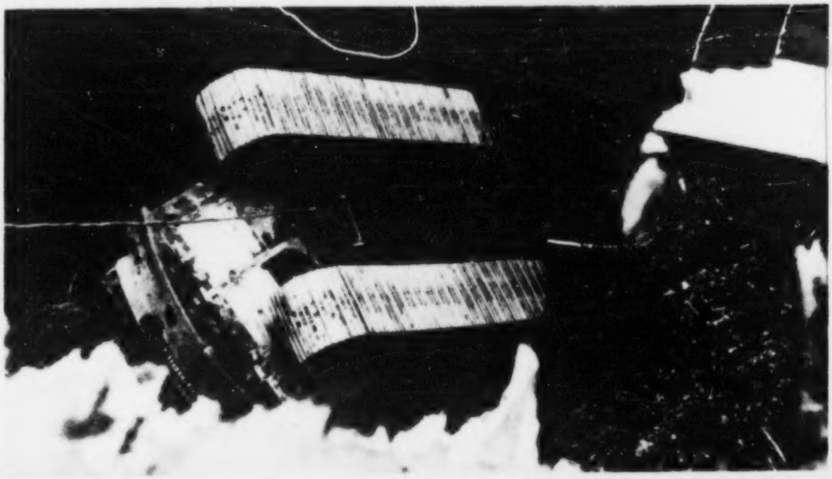
AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

10/13/83 S0320-1_ A

OCTOBER 1983

ALASKA ECONOMIC TRENDS

Alaska Department of Labor   Bill Sheffield, Governor, State of Alaska



1 Work-Related Injuries

ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
Brit Harvey, *Editor*

Funded by:

JOB SERVICE

October 1983
Volume 3
Issue 10

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1981.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

The Composite Nonagricultural Employment Indexes graph appearing on page 14 was rebased this month. The new base year is 1980 (1980 annual average employment = 100.0 for all three series).

WORK-RELATED INJURIES
A Statistical Highlight of 1981

By James Wilson

The 4th annual governor's safety conference that convened in Anchorage during the first week in October highlighted issues of safety in Alaska. This conference provided a forum for discussion among persons in all areas of safety. Coincident with this meeting was the release of two publications dealing with work related injuries in Alaska. The two reports are produced annually, in a cooperative effort with the U.S Bureau of Labor Statistics. "Occupational Injury and Illness Survey, Alaska 1981" provides incidence rate data for Alaska industries and is based on data collected directly from employers. "Work Injuries and Illnesses: the Supplementary Data System, Alaska 1981" describes the characteristics of work related injuries and is based on data filed with the Alaska Division of Workers' Compensation. Following is a brief summary of information contained in the two reports.

1981 Injury/Illness Rate One of the Lowest Ever

In 1981 Alaska's private sector occupational injury and illness rate was 10.0 cases per 100 workers. This rate equaled the lowest rate recorded (in 1978) in the ten year old annual survey. The 1981 rate is 32% lower than the high of 14.7 cases per 100 workers recorded in 1973. Alaska's private sector case rate is the sum of the injury case rate and the illness case rate. The private sector injury case rate, which has been stable for the last four years, held at the same level as recorded in 1980 (9.8). The rate for occupational illness cases in the private sector fell from an unusually high level in 1980 to its lowest level in several years. This drop in the illness rate is responsible for the decline in the overall case rate from 1980, since the injury rate was unchanged.

Cost of Time Loss Cases Over $8 Million

In addition to being the sum of injury and illness components, the private sector case rate can be subdivided into time loss and nontime loss case rates. The 1981 incidence rate for lost workday cases in the private sector was the lowest ever recorded in the annual survey, due largely to a record low time loss case rate in manufacturing industries. The nontime loss case rate rose slightly over its 1980 level (5.1 to 5.2). The average number of lost workdays per lost workday case remained unchanged (17 days) during the past four years. An estimate of the total number of lost workdays in the private sector would equal a loss of one year of work for 354 people. Measured in salary, the cost was over $8 million.

During 1981 the Alaska Division of Workers' Compensation processed 8,082 time loss claims, an increase of 10% over 1980. Private industry accounted for nearly 90% of all claims. Less than five percent of the time loss cases were due to occupational illness. Injuries are always most prevelant during the summer and early fall when Alaska's labor force is at its seasonal peak. In 1981, July was the peak month for on-the-job time loss injuries. Women filed 18.4% of the time loss claims during 1981 although they comprised a much higher percentage of the work force. This fact supports the contention that women workers tend to be found in less hazardous occupations.

Changes in High Risk Industries

During 1981 mining, construction, and manufacturing industries had substantial changes in their occupational injury and illness case incidence rates over 1980. The oil and gas industry had 23% growth in employment from 1980 to 1981 while the work injury and illness rate increased by 27% during this period. Construction employment increased at a rate unseen since the Trans-Alaska pipeline project. The rate of injuries and illnesses was the highest in seven years, surpassing the rate during peak pipeline construction. Manufacturing industries experienced the lowest total case rate in the ten years of the survey.

Both seafood processing and lumber and wood products rates fell dramatically. Heavy losses in employment levels were a major factor. In times of rising employment there are more inexperienced workers, who statistically incur most of the injuries. Thus when employment rises there is a tendancy for injury rates to rise. Conversely, when employment drops the rate may go down as well.

Construction Employment and Injuries Increase

For the first time since 1977, the construction industry lead all others in the number of time loss cases. This is largely due to increases in construction employment in the last few years. Construction accounted for 19.3% of all cases while comprising only 7.8 of the nonfederal employment. Craftsmen, operators (excluding transport), and laborers, with nearly two-thirds of the claims, consistently lead all occupational groups in numbers of time loss cases. These occupations are typically associated with mining, construction, logging, and seafood processing industries.

Back Most Frequently Injured

Data for several years show that sprains and strains continue to be the leading type of injury (45.2% of the total). The back, involved in one-fourth of all time loss cases, is the most frequently injured part of the body.

Ten Highest Incidence Rate Industries
Alaska 1981

Industry	SIC 1/	1981 2/ Annual Employment	Incidence Rate 3/ 1980	Incidence Rate 3/ 1981	Percent Change	1980 Rank
Lumber & Wood Prod.	24	2,031	32.5	26.8	-17.5	1
Food & Kindred Prod.	20	6,871	26.7	22.2	-16.9	2
Building Construction	15	2,733	16.5	19.8	+20.0	5
Trucking & Whseing.	42	2,039	21.7	17.8	-18.0	3
Special Trade Contrs.	17	5,521	15.9	17.8	+12.0	7
Water Transportation	44	1,356	16.2	16.6	+2.5	6
Oil & Gas Extraction	13	7,328	12.4	15.8	+27.4	—
Heavy Const. Contrs.	16	4,213	17.3	15.1	-12.7	4
Electric, Gas, & Sanit.	49	1,367	14.6	13.9	-4.8	9
Air Transportation	45	5,419	13.2	13.6	+3.0	10

1/ *Standard Industrial Classification Manual*, 1972 Edition.

2/ Annual average employment figures are based on Employer Data (ES-202) from Alaska's Employment Security Division. These data were produced using information available at the time of this report, but may differ from those elsewhere in the publication.

3/ Incidence rates represent the equivalent number of injuries and illnesses per 100 full time workers. Since many workers in higher rate industries are employed less than full time during a year, the actual proportion of injured workers is less than implied by the incidence rate.

Source: *Annual Survey of Occupational Injuries and Illnesses, 1980 and 1981;* Research and Analysis Section, Alaska Department of Labor in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

Sprains and strains are the most common back injuries. During 1981, as in prior years, overexertion was the leading cause of injury. In this year 85% of all overexertion cases were sprains and strains. The proportion of time loss cases due to overexertion has grown steadily since 1976 and overexertion now accounts for 26% of all injuries.

TGIF

Claim data for 1979, 1980 and 1981 show Monday to be the most hazardous day of the regular work week, while Friday was the most injury free day. Over one-half of all time loss injuries involved employees who had been on the job one year or less. In construction and manufacturing at least 20% of the cases occurred during an employee's first month on the the job.

Aircraft Related Deaths

Alaska's dependence upon commercial and private aviation has resulted in a high proportion of work-related deaths occurring in aircraft accidents. In 1981, 53% of on the job deaths involved aircraft. The proportion has been at least this high for three of the last four years.

The two publications highlighted above may be obtained from the Research and Analysis Section, Alaska Department of Labor, Box 1149 Juneau, Alaska 99802. Contact Jim Wilson (907) 465-4520 for further information on Alaskas Occupational Injury and Illness Statistics.

ALASKA NONAGRICULTURAL EMPLOYMENT TRENDS: 1978 THROUGH MID-1983

By Brit Harvey

Nonagricultural wage and salary employment is the most important single measure of economic activity at the state level. Gross National Product, the most important national measure, is not generally available for states. Due to a data processing problem, actual counts of Alaska nonagricultural employment were delayed. The data processing problem was corrected, and the actual counts have now been brought up to date. This article describes the methodology used to estimate nonagricultural employment, analyzes the newly available employment data, and discusses the accuracy of employment estimates and forecasts.

Methodology for Estimating Nonagricultural Employment

Actual counts of nonagricultural employment are derived from unemployment insurance records in a program referred to as ES-202. The actual counts are normally delayed six to nine months.

The nonagricultural employment estimates published in *Alaska Economic Trends* lag one month. Normally, estimates for which actual counts have become available are replaced each January, and succeeding estimates are adjusted to reflect the more accurate actual counts. This replacement and reestimation process is referred to as "benchmark".

This process broke down when the actual counts were delayed 24 months rather than the usual six to nine months. The estimates in *Alaska Economic Trends* became increasingly less reliable as the benchmark correction process was delayed due to unavailable actual counts. The crucial period affected by the data processing breakdown was January 1981 through July 1983. The extremely rapid growth of the Alaska economy during this period exacerbated the estimation problem.

A special benchmark was done in September utilizing newly available actual counts. The nonagricultural employment series are now up to date. The remainder of this article analyzes these newly available data.

Employment Trends 1978-1983

Table 1 lists annual average employment for the years 1978 through 1983. (1983 is an average through August only.) Table 2 lists percentage changes in employment for each year. (1983 is compared to the corresponding period in 1982.)

In 1980 the Alaska economy began a period of robust growth which is currently continuing. The primary cause of this growth is State expenditure of oil wealth. State expenditures induce a characteristic pattern of industry growth, typified by extremely rapid construction expansion, rapid State employment expansion, and rapid, broad-based expansion in the secondary industries. This compositional pattern is evident throughout the boom period. In addition, more ephemeral economic events have had a strong influence in particular years.

As indicated in Table 2, 1979 was the second and final year of the post-pipeline lull in the Alaska economy. Sharp declines in construction and seafood processing employment were almost balanced by increases in state and local government employment.

The current boom began in 1980, when employment expanded by 7.0%. The pattern of industry growth caused by increasing State expenditures began to emerge. This transitional year saw a 30.5% increase in construction employment and 8.0% increase in services employment, a major secondary industry. State government and the other secondary industries did not join in the expansion, however.

Three factors unrelated to state spending made important contributions to 1980 growth. Oil and gas employment grew 15.5%. This was partially the result of a nationwide boom in oil and gas following the 1979 oil price increase. Seafood processing employment almost doubled, due to strong salmon and crab harvests. 1980 also saw strong demand for Alaska logs, cants and pulp, boosting employment. While these factors were important generators of employment growth in 1980, they were anomalies which have not had a continuing impact.

The State spending-induced growth pattern became firmly established in 1981, the peak year for employment expansion during the 1978-1983 period. Construction employment increased by 20.9%, State government employment by 7.6%, local government employment (strongly influenced by State funding) by 10.2%, and the secondary industries by 13.2% (trade), 9.5% (services), and 7.2% (finance, insurance, and real estate). Augmenting this State spending-induced growth was a 32.1% increase in oil and gas employment. 1981 was the second and final year of petroleum expansion following the 1979 price hike.

During 1982 and the first eight months of 1983, employment growth continued, due almost entirely to State spending and its indirect effects. Declines in fish processing, lumber and pulp, and oil and gas employment were overwhelmed by expansion in construction, state government, trade, services, and finance, insurance and real estate.

Table 1
Annual Average Nonagricultural Employment
1982 Benchmark (Completed 9/83)

	1978	1979	1980	1981	1982	1983 1/
Total	162,492	159,430	170,525	186,111	199,508	209,500
Mining	5,517	5,606	6,671	8,915	8,977	8,200
Oil and Gas	5,138	5,321	6,146	8,117	8,221	7,500
Construction	12,150	8,177	10,672	12,901	16,780	18,000
Manufacturing	11,398	9,475	14,105	13,971	12,649	13,900
Food and Kindred	6,207	4,069	7,966	8,115	6,935	8,100
Lumber and Pulp	2,861	2,965	3,482	3,164	2,883	2,800
Other Manufacturing	2,330	2,441	2,657	2,692	2,831	3,000
Trans. Comm. & Utilities	16,240	16,508	17,156	18,249	18,399	18,800
Trade	28,609	28,914	29,314	33,194	37,547	41,100
Wholesale	5,718	5,310	5,538	6,449	7,206	7,800
Retail	22,891	23,604	23,776	26,745	30,341	33,300
Finance-Ins. & R. Estate	8,617	8,149	8,134	8,723	9,562	10,500
Services	28,387	27,924	30,154	33,021	35,964	38,600
Government	51,575	54,697	54,319	57,136	59,630	60,500
Federal	18,117	17,597	17,981	17,479	17,642	17,400
State	14,376	15,298	15,406	16,583	17,995	19,100
Local	19,083	21,802	20,932	23,074	23,993	23,900

1/ First eight months, average monthly estimated employment.

State spending influences economic expansion in a variety of ways. State employment increases and massive State construction funding are the most obvious. The secondary industries are stimulated directly by State purchases and subsidized business loans, and indirectly by Permanent Fund dividends, tourism advertising, and processing of State-subsidized home loans, to mention a few mechanisms.

State spending-induced employment growth, in combination with the recession in the rest of the U.S., resulted in rapid population growth in Alaska. This population growth is in itself a major stimulus to the economy. Increasing population allows more goods and services to be provided locally, boosting secondary industry employment.

The current boom will likely enter a plateau phase sometime in late 1984 or

Table 2
Percentage Change in Annual Average Nonagricultural Employment
1982 Benchmark

	78-79	79-80	80-81	81-82	82-83 1/
Total Nonagricultural	-1.9	7.0	9.1	7.2	6.2
Mining	1.6	19.0	33.6	0.7	-12.3
Oil and Gas	3.6	15.5	32.1	1.3	-12.6
Construction	-32.7	30.5	20.9	30.1	14.6
Manufacturing	-16.9	48.9	-1.0	-9.5	5.8
Food and Kindred	-34.4	95.8	1.9	-14.5	8.2
Lumber and Pulp	3.6	17.4	-9.1	-8.9	-1.5
Other Manufacturing	4.8	8.8	1.3	5.2	6.9
Trans. Comm. & Utilities	1.7	3.9	6.4	0.8	2.2
Trade	1.1	1.4	13.2	13.1	11.9
Wholesale	-10.3	4.3	16.4	11.7	9.4
Retail	3.1	0.7	12.5	13.4	12.5
Finance-Ins. & R. Estate	-5.4	-0.2	7.2	9.6	11.8
Services	-1.6	8.0	9.5	8.9	8.2
Government	6.1	-0.7	5.2	4.4	2.9
Federal	-2.9	2.2	-2.8	0.9	-1.7
State	6.4	0.7	7.6	8.5	8.5
Local	14.2	-4.0	10.2	4.0	1.7

1/ Percentage change, first eight months 1983 average estimated employment from corresponding period in 1982.

1985. As State expenditures decline as a result of diminished oil revenue, the impetus for growth will fade.

1981 Estimation Error

The employment estimates which appear in *Alaska Economic Trends* are based on a sample of employers and/or analyst judgement. In some industries the sample, which is voluntary, is either nonexistent or very small. For this reason, the estimates are subject to error. Table 3 lists the percentage error of the employment estimates for 1982.

The first column lists the estimates as they originally appeared in *Alaska Economic Trends*. At the time these estimates were made actual counts of employment were available only through June 1980. The second column lists the estimates as they were revised following availability of actual counts through June 1981. These estimates appeared as appendix tables in

Table 3
1982 Annual Average Employment
1980 and 1981 Benchmark Estimation Error

	1980 1/ Benchmark	1981 2/ Benchmark	1982 3/ Benchmark	% Error 1980 Benchmark	% Error 1981 Benchmark
Total Nonagricultural	188,300	194,400	199,508	-5.6	-2.6
Mining	8,300	9,100	8,977	-7.5	1.4
Oil and Gas	7,500	8,200	8,221	-8.8	-0.1
Construction	14,600	14,500	16,780	-13.0	-13.6
Manufacturing	10,400	11,100	12,649	-17.8	-12.2
Food and Kindred	4,900	5,700	6,935	-29.3	-17.8
Lumber and Pulp	2,500	2,700	2,883	-13.3	-6.3
Other Mfg.	3,000	2,700	2,831	6.0	-4.6
Trans. Comm. & Util.	18,500	18,400	18,399	0.5	0.0
Trade	33,600	35,600	37,547	-10.5	-5.2
Wholesale	6,700	7,100	7,206	-7.0	-1.5
Retail	26,900	28,500	30,341	-11.3	-6.1
Fin.-Ins. & R. Estate	9,200	9,400	9,562	-3.8	-1.7
Services	33,300	35,000	35,964	-7.4	-2.7
Government	60,400	61,200	59,630	1.3	2.6
Federal	17,800	17,900	17,642	0.9	1.5
State	17,600	17,900	17,995	-2.2	-0.5
Local	24,900	25,400	23,993	3.8	5.9

1/ 1980 Benchmark estimates were based on actual counts through 6/80.
2/ 1981 Benchmark estimates were based on actual counts through 6/81.
3/ 1982 Benchmark data are actual counts through 12/82.

the March 1983 issue of *Alaska Economic Trends*. The third column lists the actual counts derived from unemployment insurance payment records. The fourth and fifth columns list the percentage error of the estimates.

As can be seen in Table 3, the lack of actual counts resulted in large estimating errors for some industries. In general, industries which expanded rapidly during 1980-1982 were underestimated, in some cases substantially. Industries which were more stable, such as federal government and transportation, communication, and utilities, had small estimation errors. This results partially from the estimating methodology, which is vulnerable to underestimation during periods of rapid expansion, and to excessively conservative analyst judgement.

Table 4
1982 Employment Forecasts
Percentage Change, 1981 to 1982 Annual Averages

	Alaska Pacific Bank 1/	Office of Management & Budget 2/	Department of Labor 3/	Actual Count
Total Nonagricultural	5.0+%	5.0%	4.4%	7.2%
Mining		7.4	11.1	0.7
Construction		8.6	7.3	30.1
Manufacturing		9.8	4.6	-9.5
Trans. Comm. & Utilities		4.6	2.3	0.8
Trade		5.5	4.4	13.1
Finance-Ins. & R. Estate		7.7	3.6	9.6
Services		3.4	5.1	8.9
Government		3.3	3.2	4.4

1983 Employment Forecasts

	Alaska Pacific Bank 4/	Office of Management & Budget 5/	Department of Labor 6/	First 8 Months Estimates
Total Nonagricultural	2.0%	1.9%	4.8%	6.2%
Mining		7.2	8.6	-12.3
Construction	0.0	-2.9	1.4	14.6
Manufacturing		5.9	11.5	5.8
Trans. Comm. & Utilities		2.1	4.9	2.2
Trade		2.4	4.5	11.9
Finance-Ins. & R. Estate		0.0	3.2	11.8
Services		3.0	5.7	8.2
Government		0.0	3.3	2.9

Footnotes:

1/ *Alaska Business Trends, 1982 Economic Forecasts:* (publishing date not given); Alaska Pacific Bank.
2/ *AEIRS Quarterly Report, October 1981;* Alaska Office of the Governor, Division Budget and Management.
3/ *Alaska Annual Planning Information 1982;* January 1981; Alaska Department of Labor, Reserach and Analysis.
4/ *Alaska Business Trends, 1983 Economic Forecasts;* (publishing date not given); Alaska Pacific Bank.
5/ *AEIRS Quarterly Report, November 1982;* Alaska Office of the Governor, Division of Budget and Management.
6/ *Alaska Annual Planning Information 1983;* January 1982; Alaska Department of Labor, Research and Analysis.

Forecast Error-1982-83

Several organizations publish forecasts of Alaska nonagricultural employment on an ongoing basis. Table 4 compares actual employment counts for 1982 and current employment estimates for the first eight months of 1983 to forecasts for 1982 and 1983. The forecasts were made by Alaska Pacific Bank, Office of the Governor (Division of Management and Budget), and Alaska Department of Labor. In all cases, the forecasts listed are one year ahead forecasts expressed as percentage change in annual average employment.

The forecasts for 1982 were consistently low, although not by a large margin. If estimates for the first eight months of 1983 are indicative of what the actual counts for the entire year will be, the under-forecasting problem became worse for 1983 forecasts. In general, economists have misjudged both the strength and duration of the current boom.

Two factors obviously contributed to this forecast error. The delay of actual employment counts contributed to the substantial underestimation of employment noted earlier. The low estimates contributed in turn to low forecasts. Additionally, many economists thought that declining oil prices would quickly effect the Alaska economy. As has now become clear, only the oil and gas industry was quickly affected. State expenditures, which are driving growth, are affected by declining revenues only after a substantial lag. At the time of this writing, almost two years after oil prices began to decline, State expenditures appear to be largely unaffected by revenue declines. (See "Cash-on-the-Street" article in September, 1983 *Alaska Economic Trends).*

Summary

A data processing problem delayed the availability of actual counts of Alaska nonagricultural employment. Due to this delay, substantial error resulted in employment estimates. This underestimation of employment contributed to uniformly low forecasts.

The data processing problem was corrected, and actual counts are now up to date. A much clearer picture of Alaska's recent economic growth is now available. Estimates, and perhaps forecasts, should be subject to less error now that actual counts are available.

ALASKA

By John Boucher

August nonagricultural wage and salary employment for Alaska was 231,400 which has slightly above the July level and 5.1% above August 1982. The relatively small month to month change was due to several offsetting gains and losses.

Food and kindred products declined by 14.6% over the month. This decrease was expected following the record sockeye salmon run in July in Southwestern Alaska. The decline in manufacturing was offset by gains in local government and construction. Local government grew by 2,600 jobs or 12.7% over the month, and construction employment increased 1,100 jobs or 4.8%. Local government growth in August is due to local school district employees returning from summer vacations, while construction buildup is common in the late summer months, usually hitting its peak in September.

Unemployment

Alaska unemployment continued its summer decline, dropping by four-tenths of a point to 8.1%. For the second month in a row Alaska's unemployment rate has shown a slight improvement compared to last year. This could be the result of a robust Alaskan economy, or a lessening of in-migration pressures due to a healthier lower-48 economy. The most probable explanation is a combination of these two factors.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 8/83	*R* 7/83	8/82	*P* 8/83	*R* 7/83	8/82	*P* 8/83	*R* 7/83	8/82	*P* 8/83	*R* 7/83	8/82
Alaska Statewide	233153	233429	221261	18981	19893	18368	8.1	8.5	8.3	214172	213536	202893
Anchorage-Matsu Region	118069	116850	112831	8040	8378	8261	6.8	7.2	7.3	110029	108472	104570
Anchorage	106473	105400	101724	6641	6980	6845	6.2	6.6	6.7	99832	98420	94879
Matanuska-Susitna	11596	11450	11107	1399	1398	1416	12.1	12.2	12.7	10197	10052	9691
Gulf Coast Region	28102	28421	25483	2215	2226	2079	7.9	7.8	8.2	25887	26195	23404
Cordova	1433	1469	1294	47	67	41	3.3	4.6	3.2	1386	1402	1253
Kenai	14672	14786	13309	1482	1439	1384	10.1	9.7	10.4	13190	13347	11925
Kodiak	6142	6205	5586	231	224	242	3.8	3.6	4.3	5911	5981	5344
Seward	2005	2056	1850	159	188	181	7.9	9.1	9.8	1846	1868	1669
Valdez	3850	3905	3444	296	308	231	7.7	7.9	6.7	3554	3597	3213
Interior Region	31112	30638	27796	4135	3956	3074	13.3	12.9	11.1	26977	26682	24722
Fairbanks	25491	25103	22723	3503	3356	2573	13.7	13.4	11.3	21988	21747	20150
Southeast Fairbanks	2462	2432	2214	256	250	193	10.4	10.3	8.7	2206	2182	2021
Upper Yukon	780	763	686	122	112	83	15.6	14.7	12.1	658	651	603
Yukon-Koyukuk	2379	2340	2173	254	238	225	10.7	10.2	10.4	2125	2102	1948
Northern Region	11658	11405	9897	1059	1010	842	9.1	8.9	8.5	10599	10395	9055
Barrow-North Slope	3101	3016	2648	242	212	206	7.8	7.0	7.8	2859	2804	2442
Kobuk	3698	3620	3100	409	394	290	11.1	10.9	9.4	3289	3226	2810
Nome	4859	4769	4149	408	404	346	8.4	8.5	8.3	4451	4365	3803
Southeast Region	32545	32369	32552	2611	3064	2754	8.0	9.5	8.5	29934	29305	29798
Angoon	470	457	470	74	69	76	15.7	15.1	16.2	396	388	394
Haines	1097	1114	1110	87	125	105	7.9	11.2	9.5	1010	989	1005
Juneau	11778	11633	11548	912	996	729	7.7	8.6	6.3	10866	10637	10819
Ketchikan	6789	6836	7164	492	671	896	7.2	9.8	12.5	6297	6165	6268
Outer Ketchikan	804	818	834	62	92	96	7.7	11.2	11.5	742	726	738
Prince of Wales	1572	1580	1543	187	224	164	11.9	14.2	10.6	1385	1356	1379
Sitka	4733	4669	4728	343	371	358	7.2	7.9	7.6	4390	4298	4370
Skagway	1664	1690	1536	200	257	79	12.0	15.2	5.1	1464	1433	1457
Wrangell-Petersburg	3638	3572	3619	254	259	251	7.0	7.3	6.9	3384	3313	3368
Southwest Region	11667	13746	12702	921	1259	1358	7.9	9.2	10.7	10746	12487	11344
Aleutian Islands	3056	3568	3256	134	172	171	4.4	4.8	5.3	2922	3396	3085
Bethel	3828	4516	4224	409	544	615	10.7	12.0	14.6	3419	3972	3609
Bristol Bay Borough	402	477	438	16	29	31	4.0	6.1	7.1	386	448	407
Bristol Bay	1514	1765	1649	71	88	126	4.7	5.0	7.6	1443	1677	1523
Kuskokwim	1046	1237	1140	114	154	156	10.9	12.4	13.7	932	1083	984
Wade Hampton	1821	2183	1995	177	272	259	9.7	12.5	13.0	1644	1911	1736

P/=Preliminary 1982 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	R/		CHANGES FROM:	
	8/83	7/83	8/82	7/83	8/82
Nonag. Wage & Salary	231400	230600	220200	800	11200
Mining	8600	8600	9600	0	-1000
Construction	24200	23100	21900	1100	2300
Manufacturing	22300	24900	20600	-2600	1700
Food & Kindred Prod.	15800	18500	14300	-2700	1500
Lumber & Paper Prod.	3200	3200	3300	0	-100
All Other Mfg.	3300	3200	3000	100	300
Trans. Comm. & Util.	20000	20200	19700	-200	300
Trucking & Whseing.	2600	2500	2600	100	0
Water Transportation	1500	1600	1700	-100	-200
Air Transportation	5900	6100	6100	-200	-200
Other Trans. Comm. & Utilities	10000	10000	9300	0	700
Trade	43900	44000	40700	-100	3200
Wholesale Trade	8400	8400	7600	0	800
Retail Trade	35500	35600	33100	-100	2400
Gen. Merchandise & Apparel	5200	5300	4800	-100	400
Food Stores	6500	6600	5200	-100	1300
Eating & Drinking Places	12500	12400	12300	100	200
Other Retail Trade	11300	11300	10800	0	500
Finance-Ins. & R. Estate	11000	11100	9900	-100	1100
Services & Misc.	42000	41500	38300	500	3700
Government	59400	57200	59500	2200	-100
Federal	17900	18100	18100	-200	-200
State	18400	18600	17800	-200	600
Local	23100	20500	23600	2600	-500

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

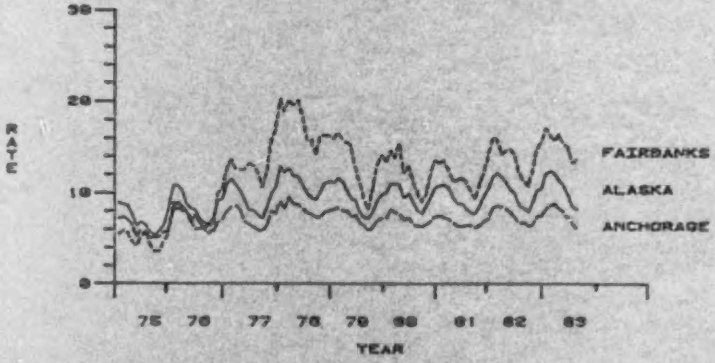
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1982.

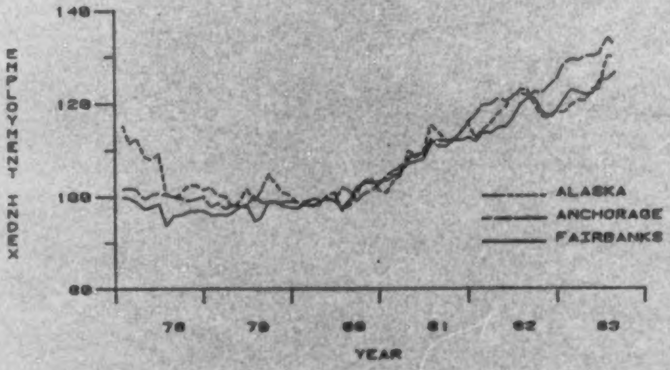
P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED



COMPOSITE NONAG EMPLOYMENT INDEXES
SEASONALLY ADJUSTED



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ANCHORAGE-MATSU

By Greg Huff

Unemployment

The Anchorage-Matsu region unemployment rate in August declined to 6.8%. The rate was below the previous year and the lowest August rate since 1977. Although the August rate was low compared to past years, the average unemployment rate through August 1983 has averaged 8.4%, the highest since 1979. Through August an average of 9,560 persons have been unemployed.

Matsu's Commuting Characteristics

The Matanuska-Susitna Borough has the State's highest percentage of workers commuting outside the Borough. The newly released 1980 census statistics on commuting characteristics reveal that 32% of the borough residents travel outside the borough to work, compared to only 3% of Anchorage workers. In 1970, 29% of the borough workers traveled outside for their jobs. Although the percent of Matsu residents commuting to Anchorage or elsewhere only increased 3 percentage points, the number of workers commuting increased 460%.

In 1980 all Matsu workers commuted an average of 31 minutes to work and 33% of the workers drove 45 minutes or more. The private vehicle was the favorite mode of transportation with 79% driving to work in private vehicles. Sixty-eight percent drove alone, compared to 32% driving in a carpool of 1 or more other persons. Four-tenths of a percent traveled to work using public transportation.

Nonagricultural Employment

Anchorage nonagricultural wage and salary employment increased during August by 1.1% to 110,700. At the industry level construction, trade and services provided the bulk of the monthly increase. Government employment declined due to school employment decreases.

In general, the Anchorage economy is continuing to grow at a rapid pace. Only a slight slowing has occurred during the first eight months of 1983. August nonagricultural employment was 9.2% higher than last year. Construction employment growth is down, however, from 29% in 1982 to 14% for the first eight months of 1983. The moderation of growth in construction, which has driven economic expansion during the past three years, is a likely harbinger of slower growth in the overall Anchorage economy.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/	R/		CHANGES FROM:	
	8/83	7/83	8/82	7/83	8/82
Nonag. Wage & Salary	110700	109550	101350	1150	9350
Mining	3350	3350	3350	0	0
Construction	11700	10950	10200	750	1500
Manufacturing	3400	3450	2900	-50	500
Food & Kindred Prod.	950	1100	950	-150	0
Other Mfg.	2450	2350	1950	100	500
Trans. Comm. & Util.	9650	9600	8850	50	800
Trucking & Whseing.	1300	1350	1300	-50	0
Water Transportation	350	350	400	0	-50
Air Transportation	3900	3850	3500	50	400
Other Trans. Comm. & Utilities	4100	4050	3650	50	450
Trade	25700	25400	23950	300	1750
Wholesale Trade	6150	6100	5450	50	700
Retail Trade	19550	19300	18500	250	1050
Gen. Merchandise	1700	1800	1650	-100	50
Food Stores	2550	2550	2400	0	150
Eating & Drinking Places	7400	7250	7350	150	50
Other Retail Trade	7900	7700	7100	200	800
Finance-Ins. & R. Estate	7250	7200	6450	50	800
Services & Misc.	24650	24250	22000	400	2650
Government	25000	25350	23650	-350	1350
Federal	10450	10400	9900	50	550
State	6100	6100	6000	0	100
Local	8450	8850	7750	-400	700

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P/	R/		CHANGES FROM:	
	8/83	7/83	8/82	7/83	8/82
Nonag. Wage & Salary	117050	115650	107200	1400	9850
Mining	3500	3450	3450	50	50
Construction	12800	11950	11400	850	1400
Manufacturing	3800	3950	3300	-150	500
Trans. Comm. & Util.	10200	10200	9300	0	900
Trade	26950	26550	25000	400	1950
Finance-Ins. & R. Estate	7550	7450	6650	100	900
Services & Misc.	25800	25450	23100	350	2700
Government	26450	26650	25000	-200	1450

"Please see notes on back of title page."

FAIRBANKS/INTERIOR

By Neal Fried

Unemployment

Fairbanks' unemployment rate climbed to 13.7% in August. In most years the seasonal increase in unemployment begins later than August. Though employment growth has been strong, the job market remains highly competitive.

Employment

In August, Fairbanks' wage and salary employment climbed above the 28,000 mark for the second time this year. The last time employment reached this level was seven years ago during pipeline construction.

The big contributors in August to the over-the-year growth were construction, trade and government. Retail trade employment has grown the most in absolute terms. This entire industry has been expanding with the establishment of new outlets and the hiring of additional staff at existing stores.

One niche in Fairbanks' retail industry which as been growing particularly rapidly is the eating and drinking sector. Of the 29 new retail businesses established over the past three years, more than half are in the restaurant and bar business. This is part of a national trend resulting from changing work habits and demographic shifts. In the past year, the Fairbanks pace has accelerated. Some say Fairbanks' appetite for new eating places is insatiable. Fairbanks' population and employment is growing and income is on the rise, giving Fairbanks an extra boost over much of the nation.

Employment in construction in August probably reached its peak level for the year. By August, the number of building permits for residential units grew to 799, double last year's number for the same period, making it the biggest year in five years. Approximately 68% of these permits are for multi-family units, with the Wise apartment complex of 144 units the single largest project. This should provide some relief to the very tight rental market in Fairbanks. Construction employment is also being boosted by a flurry of activity in commercial and public projects. Several large projects are in full swing, including the expansion of the airport, hospital and university library, construction of the new Borough building, North Gate Square mall, and a variety of smaller commercial and public projects.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
FAIRBANKS

				CHANGES FROM:	
	P/	R/			
	8/83	7/83	8/82	7/83	8/82
Nonag. Wage & Salary	28700	28600	27250	100	1450
Mining	350	300	350	50	0
Construction	3750	3600	3400	150	350
Manufacturing	550	600	500	-50	50
Trans. Comm. & Util.	3000	3050	3050	-50	-50
Trucking & Whseing.	400	400	550	0	-150
Air Transportation	650	700	600	-50	50
Other Trans. Comm. & Utilities	1950	1950	1900	0	50
Trade	5750	5700	5150	50	600
Wholesale Trade	900	900	900	0	0
Retail Trade	4850	4800	4250	50	600
Gen. Merchandise & Apparel	450	450	400	0	50
Food Stores	850	850	650	0	200
Other Retail Trade	3550	3500	3200	50	350
Finance-Ins. & R. Estate	1050	1050	1150	0	-100
Services & Misc.	5650	5350	5550	300	100
Government	8600	8950	8100	-350	500
Federal	2200	2500	2500	-300	-300
State	4150	4200	3600	-50	550
Local	2250	2250	2000	0	250

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
INTERIOR

				CHANGES FROM:	
	P/	R/			
	8/83	7/83	8/82	7/83	8/82
Nonag. Wage & Salary	32600	32300	31300	300	1300
Mining	500	450	550	50	-50
Construction	3900	3750	3500	150	400
Manufacturing	600	600	550	0	50
Trans. Comm. & Util.	3850	3850	3850	0	0
Trade	6300	6300	5650	0	650
Finance-Ins. & R. Estate	1100	1100	1200	0	-100
Services & Misc.	6200	5850	5900	350	300
Government	10150	10400	10100	-250	50

"Please see notes on back of title page."

GULF COAST

By Neal Fried

Employment Begins to Fall

The region's employment entered its seasonal downswing in August after three months of strong activity. This is typical of August, as the salmon season winds down. Fish processing employment fell by 400 in August, and will experience steeper declines in coming months.

During most of this year, and particularly during the summer months, fish processing employment was above last year. This will end later this year, due to the closure of the region's crab fishery.

Although reliable measures of tourism in the region are lacking, most indicators point to an increase in tourism during 1983. The Copper River and Kenai Peninsula state park districts recorded larger numbers of visitors this year, with the Kenai district breaking all records. In response to an informal survey, a majority of hotels in the region stated that they were busier this year than last. Anchorage tourists were attracted to the Kenai area by the completion of Seward highway repairs and excellent summer weather.

Generally, employment in most industries remained unchanged or increased slightly in August. Almost all remain above last year's levels.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	*R/*			
	8/83	7/83	8/82	7/83	8/82
Nonag. Wage & Salary	23300	23900	22600	-600	700
Mining	800	850	850	-50	-50
Construction	2200	2050	1950	150	250
Manufacturing	6800	7200	6700	-400	100
Food & Kindred Prod.	5950	6350	5900	-400	50
All Other Mfg.	850	850	800	0	50
Trans. & Comm. & Util.	2100	2150	2050	-50	50
Trade	3250	3200	3200	50	50
Wholesale Trade	550	550	500	0	50
Retail Trade	2700	2650	2700	50	0
Finance-Ins. & R. Estate	500	500	500	0	0
Services & Misc.	3300	3600	3200	-300	100
Government	4350	4350	4150	0	200
Federal	500	500	500	0	0
State	1400	1450	1450	-50	-50
Local	2450	2400	2200	50	250

"Please see notes on back of title page."

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment grew by 1.9% in August, led for the second consecutive month by a surge in seafood processing employment. Construction and government were the only other industries to experience any notable change during the month.

Seafood processing employment was responsible for the addition of 500 jobs during the month. The Southeast seafood processing industry is reaping the benefit of a very strong pink salmon run. Construction employment was the other main contributor in Southeast employment growth in August, climbing 4% over the month. This was the smallest percentage increase in construction since January indicating that the summer construction season is peaking.

Overall, government employment in Southeast remained at last month's level, but within the industry there was a shift of jobs from the state to the local sector. The gain in local government was due largely to growth in local education employment. It is unclear why state government employment contracted.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

				CHANGES FROM:	
	P/ 8/83	*R/* 7/83	8/82	7/83	8/82
Nonag. Wage & Salary	32100	31500	32200	600	-100
Construction	2150	2050	2050	100	100
Manufacturing	6450	5950	6400	500	50
Food & Kindred Prod.	3600	3100	3400	500	200
Lumber & Paper Prod.	2650	2650	2750	0	-100
All Other Mfg.	200	200	250	0	-50
Trans. Comm. & Util.	2200	2250	2550	-50	-350
Trade	4550	4550	4650	0	-100
Wholesale Trade	400	400	400	0	0
Retail Trade	4150	4150	4250	0	-100
Finance-Ins. & R. Estate	1000	1000	1000	0	0
Mining, Svcs. & Misc.	4300	4250	4300	50	0
Government	11450	11450	11250	0	200
Federal	2550	2550	2450	0	100
State	5400	5550	5250	-150	150
Local	3500	3350	3550	150	-50

"Please see notes on back of title page."

HOURS AND EARNINGS

By Kathryn Lizik

July average hours and earnings increased in all industries except manufacturing. Although average weekly hours in food and kindred products jumped 14% over June due to the strong July salmon run, average hourly earnings declined. Earnings declined due to a very large increase in temporary, lower-paid employees hired during the peak of the season.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 7/83	r/ 6/83	7/82	p/ 7/83	r/ 6/83	7/82	p/ 7/83	r/ 6/83	7/82
Mining	$24.44	$23.54	$21.78	51.7	50.3	53.6	$1263.55	$1184.06	$1167.41
Contract Construction 3/	24.18	23.23	24.03	44.6	43.6	45.8	1078.43	1012.83	1100.57
Manufacturing	10.44	12.58	10.17	41.6	38.1	42.6	434.30	479.30	433.24
Food & Kindred Products	8.08	8.70	8.24	41.2	36.1	43.6	332.90	314.07	359.26
Lumber & Paper Products	18.28	16.47	14.73	43.2	39.8	38.7	789.70	655.51	570.05
Trans. Comm. & Util.	16.28	15.62	15.11	39.8	38.3	38.9	647.94	598.25	587.78
Trade	10.26	10.14	9.74	35.8	35.8	35.6	367.31	363.01	346.74
Wholesale Trade	11.80	11.75	11.78	39.0	38.4	38.5	460.20	451.20	453.53
Retail Trade	9.63	9.46	8.87	34.6	34.8	34.5	333.20	329.21	306.02
Finance-Ins. & R. Estate	—	—	—	—	—	—	354.35	345.80	358.89

1 Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2 Excludes eating and drinking establishments

3 Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.